

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE		PAGE 1 OF 117 PAGES		
2. AMENDMENT/MODIFICATION NO. 0002		3. EFFECTIVE DATE 10/29/98		4. REQUISITION/PURCHASE REQ. NO. W59XQG81690614		5. PROJECT NO. (If applicable)	
6. ISSUED BY US ARMY CORPS OF ENGINEERS CONTRACTING DIVISION 215 NORTH 17TH STREET OMAHA NE 68102-4978		CODE		7. ADMINISTERED BY (If other than Item 6)		CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				(✓)		9A. AMENDMENT OF SOLICITATION NO. DACA45-98-R-0024	
				X		9B. DATED (SEE ITEM 11) 09/09/98	
						10A. MODIFICATION OF CONTRACTS/ORDER NO.	
						10B. DATED (SEE ITEM 13)	
CODE		FACILITY CODE					

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☒ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(✓)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Solicitation DACA45-98-R-0024, Privatization of Military Family Housing at Fort Carson, Colorado is amended as follows:

1. Replace the Executive Summary with the revised Executive Summary;
2. Replace Attachment 1 with revised Attachment 1;
3. Replace Attachment 1, Exhibit B with revised Attachment 1, Exhibit B;
4. Replace Attachment 2, in its entirety (does not include Exhibits to Attachment 2), with revised Attachment 2;
5. Replace Page 4-3 with revised Page 4-3; and
6. Replace Attachment 12, in its entirety, with revised Attachment 12.

NOTE: Standard Form 33, Standard Forms 30 (all amendment face pages), pages 12-13 to 12-22, Representations, Certifications and Other Statements of Offerors, and Attachment 1, Exhibits A & B if applicable, must be completed and returned with the proposal. Information changed on replacement pages is identified by lines in the margins of the paragraphs changed.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)		16B. UNITED STATES OF AMERICA BY (Signature of Contracting Officer)	
15C. DATE SIGNED		16C. DATE SIGNED	

EXECUTIVE SUMMARY

SUBJECT: Executive Summary, Privatization of Military Family Housing, Fort Carson, Colorado, DACA45-98-R-0024.

OBJECTIVE: The objective of this contract is to provide the best possible military family housing at Fort Carson, making the most of all of the financial resources available throughout the term of the Contract.

The U.S. Army Corps of Engineers, Omaha District, is soliciting proposals for a Contract which will privatize the military family housing program at Fort Carson, Colorado. This solicitation envisions a business relationship between the United States Army and a private entity to meet critical housing requirements more quickly and economically than the traditional military construction process. The resultant Contract will reflect an alliance between the Government and private industry to develop or provide, maintain, manage, revitalize or replace, and own family housing on the base and improve the community development, when in the best interest of the Government. The purpose of the Contract will be to provide Fort Carson military personnel and their families housing facilities and amenities equivalent to that found in the private sector. This Contract would span a 50-year performance period, with one 25-year option, to provide housing accommodations for a minimum of 2,663 families. It must be clear that the concept of Privatization under this Contract requires innovation and utilization of state of the art principles for community development and increasing the quality of life for military families. The Army's concept of Privatization does not mean the usual process involved in outsourcing of construction, revitalization, maintenance, or the usual planning for the quality of life mission by a Commander for military personnel and their families. The Army Leadership believes the Privatization Initiative does envision a program that embodies the following: (a) Lesser supplement to or relief of utility costs to be paid by the Army; (b) A plan that not only consists of construction, repair, and maintenance of family housing units, but will also provide an innovative layout for potential entire community development with optional amenities that will greatly improve the quality of life for on base soldiers and civilians; (c) A program that will demonstrate a Business Case to support greater demolition and replacement rather than renovation, when costs and other factors favor such an initiative; (d) Realization of an aggressive and feasible construction and renovation schedule, which is not present under current military processes; (e) A program which requires less Government up front and future investments; and (f) Affordable, attractive, and available housing that will support readiness for any major change in our National Security Objectives.

The Department of Defense typically writes various Contract instruments based on numerous laws, statutes, guidelines, policies, and regulations. The Military Housing Privatization Initiative (MHPI) was enacted into legislation as part of the Defense Appropriations Act for 1996 (Title XXVIII, Public Law 104-106, 10 U.S.C. 2871 et seq.). This legislation provides some flexibility in the privatization Contracting process for DOD agencies. It allows for numerous combinations of various enhancements to promote the construction of new housing with private sector financed business partners. This is a significant change from the traditional military construction and operation and maintenance programs.

The procurement method used by the Government is called a Request for Proposal, or RFP process. It includes the receipt of offers submitted by the private sector to accomplish the requirements in the solicitation. The solicitation will incorporate solicitation provisions by reference. The full text of these provisions will be provided to Offerors upon request. This process considers technical issues as well as financial capabilities in determining the successful Offeror. The offers are evaluated based on established criteria to determine the best overall value to the Government. The format of the Offeror's proposal, specific items to be submitted as part of the proposal, and the evaluation criteria are provided in detail in the solicitation, in Attachment 1. In addition, Offeror's should note that Standard Form 33, the Representations, Certifications and Other Statements of Offerors, pages 12-13 through 12-22, and, if the Loan Guaranty is required by the Offeror, the Borrower and Lender Approval Applications (Attachment 1, Exhibits A and B, respectively) must be completed and returned with the proposal. **Proposals are due 7 January 1999.**

This project will include two major family housing projects involving both existing family housing and new family housing. Fort Carson currently has 1,823 existing housing units that vary in age, size, and condition. The successful Contractor will need to renovate these units in a phased renovation plan, with initial renovation and occupancy completed by no later than five years beginning on the date of Notice to Proceed. A plan for future renovations needed during the Contract period to keep the property up to standard will also be evaluated as part of the proposal. Minimum renovation standards and levels of acceptability are defined in the RFP. In addition, 840 new family housing units will need to be constructed and completed within four years beginning on the date of Notice to Proceed. The areas available on Fort Carson for the new units are defined in the solicitation, and on the map found at Attachment 11. The proposal should reflect the use of specific and/or all areas to be utilized for new family housing units. The construction of the new family housing units is similar to a community development program, including the infrastructure -- streets, underground utility lines -- for each specific area, as well as various amenities and enhancements to the community.

To help Offerors with their proposal development, standards and minimum acceptability levels are provided in the RFP and attachments. Maintenance records, copies of the current maintenance Contracts, and other historical data are available for viewing in the Documents Information Room at Headquarters Fort Carson, Housing Office, Bldg. 7301, Fort Carson, Colorado, Monday through Friday, except Federal holidays, between the hours of 9:00 a.m. and 4:00 p.m. Appointments are recommended and can be requested by contacting MSgt Stafford at (719) 526-7574 or faxed to (719) 526-8482.

The Government will provide or make available land (approximately 467.18 acres of currently developed land and approximately 309.69 acres of undeveloped land)(only the land identified at Attachment 4, Exhibit A is available under the resultant Contract), utility tap points, conveyance of existing structures, a military housing referral and priority list and limited loan guarantees. In turn, the Contractor will provide the construction of the 840 new family housing units, renovation of the existing housing, management and maintenance of all units, grounds maintenance of unoccupied and public areas, construction and maintenance of new roads and infrastructure in associated areas, and reinvestment of profits in the form of ancillary facilities.

The Contractor will collect monthly rent payments from military personnel by allotment or electronic transfer from the service member's private financial institution, at the Government's discretion, in an amount equal to the individual's Basic Allowance for Housing (BAH). Each unit will be assigned a grade, however, the rent charged will not exceed the BAH of the member assigned to the unit. See Attachment 2, paragraph 5 of the RFP for more details regarding housing entitlements, rent payments and the mix of units by grade. The Government intends to convey the existing family housing units within 120 days after Contract award and execution of the Land Lease, Quitclaim Deed, and all other pertinent documents prior to beginning rent entitlement to the Contractor.

Any construction efforts under this Contract will require the enforcement of Davis-Bacon wage rates, regardless of whether the effort is accomplished by the prime Contractor or subcontractor. Davis-Bacon wage rate determinations are included in the RFP document, and subsequent wage determinations and updates will be incorporated into the Contract by modification. The Service Contract Act, wage requirements affecting only service-oriented tasks, will apply as appropriate to this Contract. Service Contract Act wage determinations are included in the RFP, and subsequent wage determinations and updates will be incorporated into the Contract by modification.

If the selected Offeror is a large business concern, a Small, Small Disadvantaged, and Women Owned Small Business Subcontracting Plan will be required prior to award. A sample plan is included at Attachment 9. This plan outlines the Offeror's goals for utilization of these types of firms. The Government will be required to monitor the administration of this plan and achievement of these goals during the life of the Contract.

Overall, the evaluation will include technical, financial, management, past performance, and utilization of small business components. Based on the authorizing legislation, the private sector is invited and encouraged to utilize any of the authorities available. Business arrangements must be within the limits of the underlying statutory authority for the project. However, a limited partnership agreement including the Government as a partner is not considered to be an appropriate application of the new authorities provided for an on-base development, such as Fort Carson. Offerors are reminded that limitations exist within the legislation depending upon the type of business arrangement proposed, these limitations are further explained in Attachment 2 of the RFP. Offerors are responsible for reviewing the legislation for applicable limitations therein to their proposed business arrangements.

The ultimate goal of the Contract is privatization. The Government's involvement in the rental of units and management of the housing operation will be similar to what it is now when military personnel rent housing off-post. In preparing proposals, Offerors are encouraged to focus on the intent of the acquisition -- **to provide sufficient, good quality, affordable housing communities for the Fort Carson military personnel and their families.** (Reference Attachment 2, paragraph 6 for minimum requirements.)

Questions regarding technical issues of the project should be ADDRESSED IN WRITING to: U.S. Army Corps of Engineers, ATTN: CENWO-CT (Loreen Blume or Leigh Ann Lucas), 215 N. 17th St., Omaha, NE 68102-4978. Questions can also be telefaxed to the above at (402) 221-4530. Written questions can also be transmitted via electronic mail to the above at loreen.k.blume@usace.army.mil or leigh.a.lucas@usace.army.mil.

**Privatization of Military Family Housing
Fort Carson, Colorado**

Solicitation No. DACA45-98-R-0024

**Attachment 1
Instructions to Offerors
and
Evaluation Factors for Award**

INSTRUCTIONS TO OFFERORS

1. PROPOSAL INFORMATION. The Offeror shall submit in the proposal, all required information specified in this RFP. All information shall be confined to the appropriate volume. The original proposal shall be signed by an individual having authority to enter into a contract based on the submitted proposal. An additional signed copy of the face page shall be submitted. The Offeror shall confine the proposal to essential matters that are sufficient to define the offer and provide an adequate basis for evaluation. The requested information represents the minimum proposal requirements. In addition to the Volumes identified below, Offerors should note that Standard Form 33, the Representations, Certifications and Other Statements of Offerors, pages 12-13 through 12-22, and, if the Loan Guaranty is required by the Offeror, the Borrower and Lender Approval Applications (Attachment 1, Exhibits A and B, respectively) must be completed and returned with the proposal.

2. PROPOSAL SUBMITTAL LOCATION. The proposals shall be submitted in paper media. Proposals will be received until 4:00 P.M. CST, 7 January 1999 at the following location:

U.S. Army Corps of Engineers, Omaha District
ATTN: CENWO-CT
215 N. 17th Street, Room 1614
Omaha, NE 68102-4978

Offerors are cautioned that any proposal received late will not be considered unless late receipt is due to one of the conditions identified in the clause at FAR 52.215-1, paragraph (c)(3). Recipients of this solicitation not responding with an offer should advise the issuing office by letter, postcard, or E-mail their desire to receive future solicitations of the same nature.

3. PRE-PROPOSAL CONFERENCE/SITE VISIT. A Pre-Proposal Conference/Site Visit is scheduled to be held on 20-21 October 1998 at the Sheraton Colorado Springs Hotel, 2886 S. Circle Drive, Colorado Springs, CO 80906. Hotel/motel reservations are the attendees' responsibility. Rooms may be reserved at the Sheraton by calling 719-576-5900, or by contacting another hotel/motel of choice. The Government has not set aside a block of rooms at the Sheraton and therefore, cannot guarantee vacancy. Registration begins at 8:00 a.m. and the conference begins at 9:00 A.M. Offerors are encouraged to attend this conference and inspect the site where services are to be performed, and to satisfy themselves regarding all general and local conditions that may affect their proposal. Failure to attend the Pre-Proposal Conference/Site Visit will not relieve Offerors from responsibility for estimating properly the difficulty or cost of performing the work. Reservations for the conference is required and may be made by providing company name, address, telephone and fax numbers, and number of participants to Loreen Blume, (402) 221-4265, or Leigh Ann Lucas, (402) 221-4854, or telefax to (402) 221-4530 by 16 October 1998. Reservations may be sent by electronic mail to the above at loreen.k.blume@usace.army.mil or leigh.a.lucas@usace.army.mil. Questions to be addressed by Offerors at the Pre-Proposal Conference/Site Visit shall be submitted in advance in writing to the office of the Commander:

U.S. Army Corps of Engineers, Omaha District
ATTN: CENWO-CT
215 N. 17th Street, Room 1614
Omaha, NE 68102-4978
FAX: (402) 221-4530

A "Documents Information Room" is located at the Housing Office, Building 7301, Fort Carson, Colorado 80913-5000. The Documents Information Room contains copies of documents which may be valuable in preparation of proposals. Offerors are invited and encouraged to review the resources available at this location between the hours of 9:00 A.M. and 4:00 P.M. MST, Monday through Friday, except Federal holidays. Appointments are recommended and can be requested by contacting MSgt Stafford at (719) 526-7574 or faxed to (719) 526-8482.

4. OFFEROR'S QUESTIONS AND COMMENTS. All questions and comments shall be submitted in writing to U.S. Army Corps of Engineers (USACE) no later than 20 calendar days prior to the date set for receiving proposals as stated on the Standard Form 33. Questions and/or comments related to this solicitation shall be submitted to the following:

U.S. Army Corps of Engineers, Omaha District
ATTN: CENWO-CT
215 N. 17th Street
Omaha, NE 68102-4978
Fax: (402) 221-4530

The U.S. Army Corps of Engineers, Omaha District home page on the Internet (<http://ebs.nwo.usace.army.mil/ebs/contract.htm>) may be accessed for written questions and/or comments from Offerors. Questions and comments will be reviewed and responded to in a timely manner. All changes to the solicitation based on questions and comments received, shall be incorporated by amendment, as appropriate, and will be distributed to all Offerors on the Bidder's Mailing List.

5. PROPOSAL EXPENSES AND PRECONTRACT COSTS. This Request for Proposal does not commit the Government to pay for costs incurred for the preparation and submission of a proposal or any other costs incurred prior to execution of the Contract.

6. PROPOSAL FORMAT. All proposals shall contain the requirements stated herein and every volume shall also contain:

- a. Cover of each volume shall be identified by the appropriate volume number.
- b. Offeror's name, address, signature and telephone number shall appear on any documents to be evaluated.
- c. Table of Contents.

d. List of Tables.

e. List of Figures.

f. List of Appendices.

g. Volume number and date submitted in bottom right-hand corner of each page (along with the revision number for the modified page, if necessary). Proposal modifications shall be submitted as replacement pages with revisions clearly identifiable, (e.g., bold, italics, or underlined print) and submitted in the same number of copies as the original proposal.

h. Letter character pitch can be either 10 or 12-point.

i. Proposal clarity, organization (as specified in the solicitation), overall page limitation, and cross referencing is mandatory. Offerors shall provide any other narrative or supporting materials that may be necessary for the Government to fully understand the proposal. No material shall be incorporated by reference. The Offeror's proposal in response to this RFP shall be formatted and submitted as shown in Table 1.

TABLE 1 - PROPOSAL FORMAT			
	Maximum Limit of Pages per Volume	Number of Required Proposals	
Proposal Document	Page Limit	Original	Copies
Volume I - Technical Plan	170	1	3
Volume II - Financial Plan	120	1	3
Volume III - Management Plan	210	1	3
Volume IV - Past Performance	40	1	3
Volume V - Utilization of Small Business Concerns	10	1	3
Required Maximum Limit of Pages per Entire Proposal	550	---	---

PROPOSAL NOTES:

a. The total number of pages does not include the Executive Summary, Table of Contents, List of Tables, List of Figures, List of Appendices, Sample Plans or Design Documents. (No other information is to be included on the pages with lists or tables. If other information is included, Offerors should note that the page may be considered in the page count.) Detailed Summaries for the cash flow proforma analysis shall count in the page count for Volume II, but supplemental pages of the 50-year cash flows may be included as an attachment and shall not count in the page count. Excessive documentation is discouraged. Folded pages (11"x14") used for spreadsheets shall count as one (1) page.

b. Firms not wanting data contained in proposals to be disclosed by the Government shall follow the procedures specified in FAR 52.215-1(e), "Restriction on Disclosure and Use of Data."

c. Proposals must set forth full, accurate, and complete information as required by this RFP (including attachments). The penalty for making false statements is prescribed in 18 U.S.C. 1001.

7. METHOD OF PROCUREMENT.

The U.S. Army Corps of Engineers intends to procure this requirement on a COMPETITIVE PROPOSAL basis, using best value techniques inclusive of past performance evaluation, in accordance with the provisions set forth in the Request for Proposal (RFP). A Contract will be awarded to the responsible Offeror whose proposal represents the best value to the Government after evaluation, all factors considered (i.e., technical, financial, management, past performance, and utilization of small business concerns). It is strongly recommended that the provisions stated in this RFP be carefully studied prior to assembly of the proposal.

8. PROPOSAL CONTENTS. For the purposes of evaluation of proposals, the following information must be provided in all Offerors' proposals. All volumes will be evaluated and rated in accordance with the "Evaluation Factors for Award" section of this Attachment 1.

a. **VOLUME I - TECHNICAL PLAN.** The Offeror shall submit the required information in Volume I as listed below:

(1) DESIGN PLAN. Construction of 840 new housing units shall be completed within a maximum of four years beginning on the date of Notice to Proceed. Renovation of the existing 1,823 units shall be completed within a maximum of five years beginning on the date of Notice to Proceed. The design plan shall consist of the following elements regarding the new construction and renovations.

(a) DWELLING DESIGN. The Offeror shall submit single-page, off the-shelf designs as available in the commercial real estate market. Designs shall be submitted for each style of home shown in the site design documents. The typical housing styles (e.g., single family dwelling, townhouse, etc.), recommended quantities of each style, and recommended square footage are shown in the Description/Specifications/Work Statement section of this RFP. (See Attachment #2, paragraph 5.e.(3)). Government preference is for single family, townhouse, or duplex style units. Apartments in a stacked configuration may be used only as a last resort for two bedroom units to conserve land. Area C1 is defined as the northern portion of area C and should have a physical separation from the Junior Officer/Senior Enlisted housing located in Area C2. If at all possible, it is preferred to locate the Junior Enlisted units in Area's A and B. However, if this is not supportable by either space or utility limitations, then the use of the northern portion of Area C identified as C1 is permissible and will not detract from the rating. Submission shall include floor plans, all exterior elevations, and plans for units designated to be handicap accessible.

(b) SITE DESIGN. Site design documents shall include, but not be limited to, drawings reflecting the entire community to include the locations of housing units (and types of units), infrastructure installation, utility tie-in points, road locations, green spaces, play-lots and playgrounds.

The proposal design documents shall consist of drawings and specifications. Drawings shall be drawn on 28" x 40" format for full-size drawings. Provide an index of drawings. As a minimum, the drawings shall include:

(i) Conceptual Sketch Site Plans - Scale 1" = 100', show site layout:

- Layout information (structures and housing)
- Landscaping.
- Driveways.
- Patios, fencing and walks.
- Parking.
- Recreation areas.
- Exercise trails.

(ii) Conceptual Sketch Utility Plans (Water, Sanitary Sewer, Electrical and Gas) - Scale 1" = 100': Layout of main utility lines with preliminary sizes and fire hydrant locations.

(iii) Conceptual Sketch Grading and Drainage Plans - Scale 1" = 100':

- Existing topography and proposed grading.
- Preliminary grades of roads and around housing units.
- Storm Drainage system with preliminary sizes.

(iv) Site Layout Plan. Provide a site layout plan at a scale of 1" - 50' of a typical grouping or arrangement of housing units. Show this representative area with streets, driveways, parking areas, sidewalks, dwelling unit layout, landscape, and utilities systems.

(c) UNIT RENOVATION PLAN. Provide a project schedule and narrative description indicating the Offeror's initial plans to renovate the existing 1,823 housing units, or the Offeror's plans to demolish the existing housing units and replace with additional new housing units. Renovations must be completed within a maximum of five years beginning on the date of Notice to Proceed. Offerors proposing to demolish and replace may receive a higher rating during evaluation. (See Attachment 2, paragraphs 5.e.(1) and (2).)

Also, include narrative description of each housing unit type with listing of optional renovations (e.g., addition of garages, carports, exterior building repairs, decks, patios, installed lawn sprinklers, new floor coverings).

(d) DESIGN ANALYSIS. Briefly provide basis for design of houses, roads and utility systems and give preliminary design calculations.

(2) MAINTENANCE PLAN. The Offeror shall provide maintenance of all existing housing units and new housing units for the term of the Contract. Items to be included in the Maintenance Plan are outlined in Attachment #2, Page 2-15, Paragraph 5.h. The Offeror shall provide a narrative of how their routine maintenance is scheduled, response time to tenant requests and/or requirements for repairs, emergency procedures, etc.

(3) FUTURE RENOVATION PLAN (OUT-YEARS). The Offeror shall provide a narrative and/or drawings of future renovations throughout the 50-year contract term. The Offeror shall state the criteria to be used to determine when another comprehensive renovation will be required in order to keep the housing units in suitable condition for military families (see Attachment 2, paragraph 6.a.).

(4) CONSTRUCTION PLAN.

(a) PHASING PLAN. Provide as part of the Schedule a phasing plan detailing how the construction of 840 new housing units and renovation of 1,823 existing housing units will be accomplished without reducing available units for occupancy below the current level of 1,823 housing units. The phasing plan shall describe the scheduled construction and renovations, including such details as to how tenants will be moved from existing housing units into newly constructed housing units. Proposals which demonstrate a feasible, more aggressive construction and renovation schedule shall receive a higher rating. (See Attachment 2, paragraph 5.e. and Attachment 2, Exhibits B, C, and D.)

(b) QUALITY ASSURANCE/QUALITY CONTROL PLAN. The Offeror shall submit detailed Quality Assurance and Quality Control Plans outlining the Offeror's standard and specific Quality Assurance/Quality Control practices.

The Offeror shall submit their Quality Assurance and Quality Control Plans for each of the following: 1) Construction of 840 housing units; 2) Renovation, or demolition and replacement, of 1,823 existing housing units; and, 3) Management and maintenance for all housing units and the surrounding common areas. Also, provide the name of the certified inspection service to be utilized to inspect all construction and renovation.

The Offeror's Quality Assurance/Quality Control Plans shall include, as a minimum, the following information concerning its Quality Assurance/Quality Control procedures:

(i) The Offeror's Corporate Quality Control Document.

(ii) One example of the Offeror's Quality Control Plan used by the Offeror during a project similar to this RFP.

(iii) The Offeror's Standard Operating Procedures (SOPs) for the maintenance of all housing units detailing procedures for tracking deficiencies and corrective actions.

(iv) The Offeror's Standard Operating Procedures for performing, documenting and enforcing the quality control operations of both prime and subcontract work including proposed forms for approval, and indicate who will prepare, sign and submit the forms.

b. **VOLUME II - FINANCIAL PLAN.** The Offeror shall submit the required information in Volume II as listed below:

(1) Total Project Costs. Total project costs relative to the quality of the proposed development and the price per square foot for the renovation, new construction and the related infrastructure costs. *See Attachment 1, Exhibit C, Statement of Development Sources and Uses of Funds Proforma and Development Budget Proforma, for mandatory proforma format.

- (a) Hard and soft costs identified, in detail.
- (b) Developer costs separately identified, in detail.
- (c) Total costs identified and reasonably based on industry standards.

RELATED PARTY FEES. The Government will evaluate the Offeror's construction management, asset management, and other fees that are accrued and/or paid during the construction phase of this project. The Offeror shall limit the amount of the fees budgeted to be accrued or paid to related parties.

Overall project financing will be evaluated on the basis of the risk to the Government and the Offeror's long term financial commitment to the project. The most desired form of financing status will be contingent only upon award.

(2) Sources and Uses of Equity (amount and timing). Offerors shall present all sources and uses of equity, including but not limited to, cash contributions, cash flow from operations during construction, interest on unutilized loan proceeds, and any deferral of fees due the Offeror. Included in the Sources and Uses of Equity is the Offeror's proposed owner capital contribution. Offerors shall deposit a minimum of 3% of the total project costs from its own capital into the Escrow for Construction/Renovation of Facilities. Proposals that exceed the 3% minimum owner capital contribution requirement will be rated higher for the sources and uses of equity subfactor during evaluation. Owner equity must be deposited upon issuance of Notice to Proceed.

EQUITY DISTRIBUTIONS AND PREFERRED RETURNS. The Government will evaluate the Offeror's long-term commitment to the project. As such, the Government desires that the Offeror's source of repayment of equity and amount of return on equity is from the net cash flow available after reserves and debt service.

(3) Conditional Loan Commitment. The conditional loan commitment, on lender letterhead, is to include at a minimum the following:

- (a) Debt service coverage ratio.

- (b) Amount of loan.
- (c) Interest rate (fixed or variable) with interest rate exposure mitigation.
- (d) Recourse vs. Non-recourse (full or partial).
- (e) Loan Maturity.
- (f) Amortization period.
- (g) Points and fees.

(h) Whether the Government offered enhancement of a guarantee in the event of base closure, downsizing or major deployment will be required. Choice of whether allotment or electronic transfer will be used is at the Government's discretion. The decision will be provided prior to contract award.

(i) Borrower and Lender Applications for Loan Guaranty. Completion of the forms at Attachment 1, Exhibits A and B, respectively, are required at the time of proposal submission, if the Loan Guaranty is utilized. Failure to complete the forms may render the proposal materially deficient and ineligible for contract award.

CROSS COLLATERALIZATION/CROSS DEFAULT PROVISIONS. This privatization project is expected to “stand alone” and as such, the Offeror is prohibited from cross collateralization and/or cross default of said project with any other assets. Moreover, the Offeror is prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows and/or ownership of the project in part or in its entirety without prior Government approval.

This relates to the construction period loan and permanent financing arrangements.

FINANCING CONTINGENCY: At the time of Offeror's proposal, permanent and construction financing on the project shall be subject only to contract award by the U.S. Army Corps of Engineers.

(4) Affect of Interest Rate Changes. In its proposal, the Offeror shall clearly address the following issues:

(a) The interest rate (or range of interest rates) upon which its proposal and financial plan are premised.

(i) The first mortgage shall be at a fixed rate of interest unless the Offeror, to the satisfaction of the Government, mitigates the interest rate risk over the life of the loan by some form of interest rate protection vehicle.

(ii) Until such time as the Offeror “locks rate” with their selected lender, there may be a chance of short-term rate fluctuations. Therefore, the Offeror shall mitigate this short-term interest rate risk.

(b) Any actions which the Offeror intends to implement in order to mitigate against increased interest rates (e.g., interest rate hedges, ceilings, etc.), and the estimated time for, and costs of, implementing any such actions.

(c) The maximum interest rate at which the Offeror is prepared to deliver its proposal without changes in scope, timing, quality, or materials.

(d) How will the proposal be affected if the actual interest rate on the Offeror's construction and/or permanent financing are higher than the maximum interest rate set forth above? Will materials of lesser quality be used? Will optional amenities be deleted? Will the amounts pledged to the Reinvestment Account be reduced? Will the Offeror reduce its fees or accept a lower return on equity? Etc.

(e) How will the proposal be affected if the actual interest rates on the Offeror's construction and/or permanent financing are substantially lower than the interest rates indicated in its proposal? ("Substantially lower" being defined for this purpose as a decrease of 50 or more basis points from the interest rates shown in the proposal.) By way of example only: Will the project be enlarged in scope? Will materials of better quality be used? Will optional amenities be increased? Will the amounts pledged to the Reinvestment Account be increased? Will the Offeror increase its fees or receive higher return on equity? Etc.

(5) Offeror's Historical Financial Status. Five years historical audited financial statements from the Offeror including each of its subsidiaries and parent company, and all team members.

(6) Offeror's Reinvestment Plan. Offeror's reinvestment plan, including a description of proposed uses of all reinvested amounts (e.g., payment of utilities, tax or interest rate related savings, construction of replacement housing units, future amenities, etc.). Those proposals that include payment of utilities in family housing units occupied by military families, dependents of military families, or Department of Defense (DOD) civilians designated as essential personnel, may be rated higher during evaluation. Those proposals which provide for future replacement of existing housing units may be rated higher during evaluation. If combinations of the above are proposed, the Offeror proposing the overall best value to the Government may receive the highest rating.

(7) Fifty-year Proforma Financial Information. The 50-year Statement of Operating Revenues and Expenditures Proforma should include separate line items for gross revenue, net operating income, debt service, funding for and disbursements from the mandatory escrow accounts (as defined in Attachment 2, Description/Specifications/Work Statement, paragraph 6) for maintenance of facilities and disbursements to investors. See Attachment 1, Exhibit C, for mandatory proforma format.

(8) Amenities Offered and their Related Costs. Those proposals that include optional amenities as shown in order of preference in Attachment 2, paragraph 5.g., may be given a higher rating during evaluation. However, the execution of said amenities during the Contract will be at the Government's discretion and shall not affect the validity of any other part of the Contract.

(9) Escrow Accounts. The Offeror shall define in detail, establish, and maintain the following escrow accounts for the purposes of funding construction and capital improvements. All required escrow accounts shall be established and held in federally insured financial institutions. Escrow accounts are a minimum requirement of the Government and will be evaluated on a “go/no-go” basis. Offerors providing for the escrow accounts, either through its lender or the resultant Contract, shall receive a “go”. Offerors not providing for one or more of the escrow accounts shall receive a “no-go”. If required by its lender, Offerors should include a statement to that effect. Failure to provide for one or more of the required escrow accounts shall render the proposal materially deficient and ineligible for contract award.

(a) Lockbox Agreement. Throughout the term of the Contract, the Government shall require the execution of a Lockbox Agreement between the Contractor, the construction lender, third party lender, and the Government, which requires that all income from the Project be deposited into a Lockbox account held by a depository institution acceptable to the Government in an account separate from all other accounts established by the Contractor. During the term of the Guaranteed Loan, or during the term of another mortgage loan secured by the Project which has been approved by the Government, the requirement for a Lockbox may be satisfied by an agreement between the Contractor and the Guaranteed Lender, or the Contractor and such other approved mortgage lender, as applicable. Among other provisions, the Lockbox Agreement shall provide for the application of equity contributions from the Contractor and income from the Project substantially in the following order of priority:

(i) Reasonable and necessary operating expenses of the Project in accordance with an annual budget for the Project approved by the Government, and the Guaranteed Lender or other approved lender, if applicable; provided that for purposes of the Lockbox Agreement, operating expenses of the Project shall not include management fees paid to the Contractor or any party which is affiliated with, or has an identity-of-interest with, the Contractor or any of its principals.

(ii) Monthly deposits into the Impositions Escrow Account.

(iii) Monthly deposits into the Capital Repair/Replacement Escrow Account.

(iv) Scheduled monthly payments of principal and interest and other amounts due and payable under the Guaranteed Loan or other approved loans.

(v) Amounts, if any, necessary to restore the balance of the Performance Deposit Account (see description below).

(vi) Management fees paid to the Contractor or any party which is affiliated with, or has an identity-of-interest with, the Contractor or any of its principals, if applicable.

(vii) Monthly deposits into the Reinvestment Account (see description below).

(viii) Extraordinary expenses of the Project as approved by the Government, and the Guaranteed Lender or other approved lender, if applicable.

(ix) Balance, if any, to the Contractor.

Notwithstanding the foregoing, until the final completion of all required new construction and renovation of the Project, all equity, and the balance of income from the Project following payment of items (i), (ii), and (iii) above, shall be deposited into the Construction Escrow Account. Following final completion of all required new construction and renovation of the Project, the Construction Escrow Account will no longer exist, therefore, Project income shall be applied in the order set forth above.

(b) Escrow for Capital Repair and Replacement of Facilities. The sole purpose of the Capital Repair/Replacement Escrow Account, including all interest thereon, shall be making capital repair and replacement to the Project.

(i) Capital Repair/Replacement Escrow Account. The Offeror shall establish and maintain, throughout the term of the Contract, a dual signature escrow account with the Offeror and the Government as co-signatories.

(ii) Account Maintenance Period. The Capital Repair/Replacement Escrow Account shall be maintained with a federally insured financial institution in an interest bearing account. During the outstanding loan period, the Capital Repair/Replacement Escrow Account may be held by the lender, but can only be used as approved by the Contracting Officer or the designated representative. Deposits into the Capital Repair/Replacement Escrow Account shall be made monthly on the first of each month. The adequacy of the Capital Repair/Replacement Escrow Account shall be analyzed annually by the Government representative. The Offeror shall, at all times, maintain the account with sufficient balance to pay for all maintenance, capital repair and replacement costs detailed in the Offeror's Technical Plan. The amount of the monthly deposit to the Capital Repair/Replacement Escrow Account may be increased or decreased without amending the Contract with Government approval.

(iii) Disbursements from the Capital Repair/Replacement Escrow Account. Disbursements from the Capital Repair/Replacement Escrow Account may be made only after receiving the written consent of the Government, or at the Government's discretion, the written consent of a lender that is providing financing to the Project. Funds shall be advanced from the Capital Repair/Replacement Escrow Account in accordance with customary commercial lending practices (e.g., disbursements shall be no more frequently than once in each calendar month, based on the actual invoices of contractors, subcontractors, material men and suppliers for materials and equipment or services actually provided, etc.).

(c) Escrow for Construction/Renovation of Facilities. The purpose of the Construction Escrow Account is to ensure the cash flow after debt service and reserves from the existing rental units is utilized to off-set demolition, construction, and renovation costs.

(i) The Offeror shall maintain the account until the satisfactory completion and certification of occupancy of the 840 new housing units, the renovation/replacement of the existing 1,823 housing units, and all other improvements which are to be part of this Project in accordance with the approved plans. The account, separate from all other accounts maintained by the Offeror and known as the "Construction Escrow Account", shall be established by the Offeror on or before the signing of the Contract. The account will be a dual signature account with the Offeror and the Government as co-signatories.

(ii) All operating income of the Project in excess of the normal and customary operating expenses of the Project must be deposited into this account as approved by the Government.

The Offeror shall deposit a minimum of 3% of the total project costs from its own capital into the Construction Escrow Account. (Evaluation of owner equity will be accomplished under the Sources and Uses of Equity, paragraph 8.b.(2).) Owner equity must be deposited upon issuance of Notice to Proceed. The Construction Escrow shall be maintained with a federally insured financial institution in an interest bearing account. The Contracting Officer or designated representative may waive the requirement for the Construction Escrow if the lender requires a similar account. This escrow account shall be closed upon completion of initial construction and renovation/replacement.

(iii) Account Funds Transfers. Deposits into the Construction Escrow shall be made monthly on or before the 15th of the month. The Construction Escrow, including all interest thereon, shall be used solely for the purpose of making the required improvements in the residential housing community. Disbursements from the Construction Escrow may be made only after receiving the written consent of the Contracting Officer or designated representative, or at the Government's discretion, the written consent of a lender that is providing financing to the Project. Funds shall be advanced from the Construction Escrow in accordance with customary commercial lending practices (e.g., disbursements shall be no more frequently than once in each calendar month, based on the actual invoices of contractors, subcontractors, material men and suppliers for materials and equipment or services actually provided.). Upon termination of the account, excess funds will be released to the Offeror upon fulfillment of his obligation under this account.

(d) Impositions Escrow Account. The Offeror shall establish and maintain, throughout the term of the Contract, an escrow account which is separate from all other accounts maintained by the Offeror and known as the "Impositions Escrow Account", to cover applicable annual tax payments and annual insurance premium payments (see Attachment 2, paragraph 4.e.). The Offeror shall deposit the estimated monthly impositions into the Impositions Escrow Account. The Impositions Escrow Account shall be maintained in an interest bearing escrow account with a federally insured financial institution. The Contracting Officer or designated representative may request proof of deposits. This condition may be satisfied by an approved escrow account with an approved Mortgagee. Proof shall be provided to the Contracting Officer or designated representative to verify the existence of the account.

(e) Performance Deposit. The Performance Deposit Account serves as a "Real Estate Management Bond".

(1) The Offeror shall establish and maintain, throughout the term of the contract, a performance deposit account (the "Performance Deposit") which is separate from all other accounts maintained by the Offeror. The Offeror shall deposit \$500,000.00, in the form of cash or certified funds, upon initiation of the account with a federally insured financial institution in an interest bearing account or with a commercial investment firm. The Performance Deposit shall serve as a security for the payment and performance by the Offeror of all obligations, covenants, conditions and agreements under this Contract, subject to the following terms and conditions:

(i) The Performance Deposit shall be established with the Contracting Officer or designated representative having sole disbursement of funds authority via check writing privileges. The Offeror shall maintain a minimum of \$500,000.00 in the account at all times. Once the account balance reaches \$1,000,000.00, the Government, upon the Offeror's written request, shall return the amount over \$1,000,000.00.

(ii) If the Offeror fails to perform its obligations under the Contract, or otherwise commits a default, which is not cured within the applicable cure period, if any, the Contracting Officer or designated representative may use, apply or retain all or any portion of the Performance Deposit for the payment of any sum to which the Contracting Officer or designated representative may become entitled by reason of the Offeror's default, or to compensate the Contracting Officer or designated representative for any loss or damage which the Government may suffer as a result of such default.

(iii) If the Offeror fails, after receiving notice of noncompliance, to accomplish the work in accordance with the Contract or fails to perform any provision of the Contract, the Contracting Officer or designated representative may, after seven days written notice to the Offeror and without prejudice to any other remedy it may have, make good such deficiencies. In such case, an appropriate Contract Modification shall be issued for the Government's unilateral deduction from the Performance Deposit the cost of correcting such deficiencies. If the amounts in the Performance Deposit account are not sufficient to cover such amount, the Offeror shall pay the difference to the Government on demand.

(iv) If the Contracting Officer or designated representative uses or applies all or any portion of the Performance Deposit in accordance with the terms of this Contract, the Offeror shall, within seven days of written notification by the Contracting Officer, deposit an amount sufficient to restore the Performance Deposit in full to the balance of the account on the date the money was removed provided however, that the amount to be deposited will never be more than the amount to bring the account back up to \$1,000,000.

(v) If the Offeror performs all of its obligations under this Contract, and is not then in default under this Contract, the Performance Deposit, or so much of the Performance Deposit as has not been applied by the Contracting Officer or designated representative, shall be

returned to the Offeror within 60 days after the expiration or termination of the Contract or the date on which the Offeror has vacated the premises, whichever is later.

(f) Reinvestment Account. The purpose of the Reinvestment Account is to protect and/or enhance the Government's investment by the Offeror designating into this account, on an annual basis, a percentage of cash flow after debt service, taxes, and preferred returns.

(1) The Government intends the successful Offeror to establish and maintain a Reinvestment Account throughout the term of the Contract. It shall be separate from all other accounts maintained by the successful Offeror.

(2) The Reinvestment Account shall be utilized for reinvestments in the Project in the form of quality of life improvements that will directly benefit military families (e.g., payment of utilities, tax or interest rate related savings, construction of replacement housing units, future amenities, etc.).

(3) The Offeror shall designate that a certain percentage (0 - 100%) of all net cash flow after operating expenses, debt service, taxes and reserves be deposited into the Reinvestment Account.

c. **VOLUME III - MANAGEMENT PLAN.** The Offeror shall submit the required information in Volume III as listed below:

(1) **ORGANIZATIONAL STRUCTURE.**

(a) Corporate Structure. The Offeror shall submit organization charts. If the prime Offeror is to be a team arrangement, submit organization charts for each team member. Provide locations and organization charts of the corporate headquarters, regional offices and other offices. The Offeror's organization chart shall show the entire team which will be committed to this contract. Personnel on the organization chart, including support staff, team members/subcontractors, should be identified by name, discipline, task area and firm office. The chart shall clearly indicate reporting lines. The submittal shall also be sufficiently detailed to indicate the size, diversity, and organizational structure of the team. Also, indicate how the proposed project organization, relative to the office organization, will function.

(b) Resumes of Key Personnel. The submittal shall include resumes of no more than 10 key personnel to be utilized in the performance of the Contract. The resumes should clearly show proposed job title, education, special qualifications worth noting, and complete experience records showing title and specific duties, responsibilities, and assignments beginning with the present and working backwards. The resumes must clearly demonstrate the type, level and duration of experience required by this RFP. Indicate fully, the responsibilities each key member had in connection with any of the projects listed or any other projects which involved managing projects comparable to this project. Any additional information pertaining to personnel anticipated for use under the Contract will only relate to that individual's experience and ability to perform on this Contract. Therefore, do not furnish information on individuals' social, civic or

fraternal activities. Note that substitutions for key team members/subcontractors/partners after award will only be allowed with the approval of the Contracting Officer.

Experience of Affiliates, Subcontractors and Suppliers. Provide experience information required above for each Affiliate, Joint Venturer or Team Member that is expected to provide a substantial amount of effort under the Contract.

(2) CONTRACT IMPLEMENTATION PLAN. Describe the organizational approach implementing the work required of the Offeror through the life of the Contract. Describe the anticipated use of the following, as applicable:

- *Sole Entity.
- *Joint Venture.
- *Teaming.
- *Other.

Provide copies of any contractual agreements (e.g., property management contracts, operating agreements, etc.) and/or commitments binding the firm(s) to this contract. If these are not in place, provide information on how they will be implemented. This information should include, but not be limited to the following:

*What entity has overall authority for the contract?

*What entity will be managing the contract?

*Years of previous experience with team members.

*Type of past contractual agreements.

*Which entity will be responsible for design, utility work, new construction, renovation of existing housing, quality assurance, quality control, management and maintenance?

*The team's capability to do this work and how would it be performed under the contract.

*Provide information as to how you intend to accomplish design, utility work, new construction, rehabilitation of existing housing, quality assurance, quality control, management and maintenance.

*Provide information to demonstrate your ability to provide design, utility work, new construction, rehabilitation of existing housing, quality assurance, quality control, management and maintenance. Clearly and succinctly describe in narrative form, with accompanying charts and graphs if applicable, how the Offeror will:

- How it will be financed (sources and amounts of equity and debt).

- Assume control of the housing areas upon contract execution.
- Mobilize and complete the construction and renovation plan, in accordance with the Management and Technical Plans, and the Schedule.
- Utilize the financial assets to support construction and renovation, in accordance with the financial plan.
- Demobilize from construction and renovation within the four and five year time lines.
- Continue maintenance of the housing areas for the duration of the Contract, in accordance with the Organizational Plan and the Schedule.
- Provide maintenance and renovation during the term of the Contract, in accordance with the management plan.

(3) **SAMPLE TENANT LEASE.** A sample tenant lease (see Attachment 6) is provided in this RFP package to be used and is preferable. Changes may be proposed to items not identified as mandatory. Those items within the lease that are mandatory are marked with an asterisk. If said changes result in a more restrictive lease to the tenants, a lower rating may result during evaluation. If said changes result in a more favorable lease to the tenants, a higher rating may result during evaluation.

d. VOLUME IV - PAST PERFORMANCE. For each phase (i.e., construction, renovation, maintenance, and management), the Offeror shall submit narratives of a minimum of two, and not more than five previous or ongoing federal, state or local Government contracts **or private/commercial contracts** performed by it and/or each of its team members, their subsidiaries or parent companies during the past three to five years which are similar in nature and relevant to the efforts required by this solicitation. Narratives shall include the following information:

(1) Complete description of the project performed detailing the relevance and similarities to the effort required by this solicitation.

(2) References Provided for Contract Information Submitted. Provide an outline of how the effort required by the solicitation will be assigned for performance within the Offeror's corporate entity and/or team members and among proposed subcontractors. Information required below shall be provided for each proposed 1st tier subcontractor.

(a) Government contracting activity, contracting officer or other point of contact, address, and telephone number. For commercial property management and/or maintenance experience, you may provide name, address and telephone number of tenant associations.

(b) Government technical representative with address and telephone number. For commercial property management and/or maintenance experience, you may provide name, address and telephone number of tenant associations.

(c) Government contract administration activity, points of contact, address and telephone number. For commercial property management and/or maintenance experience, you may provide name, address and telephone number of tenant associations.

(d) Contract number.

(e) Contract award date.

(f) Contract type.

(g) Contract award amount (cost or price).

(h) Actual cost or price, or projected final cost or price.

(i) Original performance period/completion date.

(j) Actual or projected final completion date.

(3) Offerors shall include in their proposal, the written consent of their proposed 1st tier subcontractors to allow the Government to discuss the subcontractors' past performance evaluation with the Offeror during negotiations.

(4) A narrative for each of the previous contracts listed describing the objectives achieved and any cost growth or schedule delays encountered. For Government contracts which did not/do not meet the original requirements with regard to either cost, schedule, or technical performance, provide a brief explanation of the reason(s) for such shortcomings and any demonstrated corrective action taken to avoid recurrence. The Offeror shall also provide circumstances surrounding cure notices or show cause notices received on any previous contract listed, and a description of corrective action taken.

(5) The Offeror shall also provide the above required information relative to contracts that have been terminated in full or in part, for default during the past five years, to include those currently in process of such termination as well as those which are not similar to the proposed effort. The Offeror shall list each time the performance schedule was revised and provide an explanation of why the revisions were required.

(6) The Offeror shall also provide overall performance ratings from the customer (i.e., excellent, very good, satisfactory, marginal, or unsatisfactory) for all contracts submitted.

NOTE: Offerors are reminded that both independent data and data provided by Offerors in

their proposals may be used to evaluate past performance. Since the Government may not necessarily interview all of the sources provided by the Offerors, it is incumbent upon the Offeror to explain the relevance of data provided. The Government may also use past performance information from other than the sources identified by the Offeror and that the information obtained will be used for both the responsibility determination and the best value decision. The Government does not assume the duty to search for data to cure problems within the proposals. The burden of providing thorough and complete past performance data remains with the Offerors.

e. VOLUME V - UTILIZATION OF SMALL BUSINESS CONCERNS.

(1) Definitions:

(a) Small Business Concerns. For the purpose of this section, small business concerns refers to Small Business, Small Disadvantaged Business, and Women-Owned Small Business.

(b) Prime Offeror for the purpose of this section is defined as the firm that will be responsible for signing contract documents.

(2) It is the policy of the United States that small business concerns shall have the maximum practicable opportunity to participate in contract performance. It is further the policy of the United States that its prospective Prime Offerors shall demonstrate the extent it plans to utilize small business concerns in any resultant contract and provide assurance in its offer that small business concerns shall have maximum subcontracting opportunities in its prime contracts.

(3) All contractors are requested to utilize the PRO-NET program to assist them in obtaining resources to meet their contractual requirements. PRO-NET is an electronic gateway of procurement information – for and about small businesses. It is a search engine for Contracting Officers, a marketing tool for small firms and a “link” to procurement opportunities and important information. It is designed to be a “virtual” one-stop-procurement-shop. PRO-NET is an Internet-based database of information on small, small disadvantaged, 8(a), and women-owned small businesses. It is free to federal and state Government agencies, as well as prime and other contractors seeking small business contractors, subcontractors and/or partnership opportunities. As an electronic gateway, PRO-NET provides access and is linked to the Commerce Business Daily (CBD), federal and state agency home pages and other sources of procurement opportunities.

The Small Business Administration (SBA) homepage address is: www.sba.gov

The PRO-NET homepage address is: www.pro-net.sba.gov

(4) SUBCONTRACTING PLAN REQUIREMENTS. The Offeror shall submit a completed Subcontracting Plan which will demonstrate how goals for Small Business (SB), Small Disadvantaged Business (SDB), and Women Owned Small Business (WOSB)

participation will be met. The Offeror (other than a small business concern) shall demonstrate how the firm plans to identify, commit and utilize Small Business (SB), Small Disadvantaged Business (SDB), and Women-Owned Small Business (WOSB) concerns, as team members, subcontractors and/or suppliers in the performance of the resultant contract. The Offeror's Subcontracting Plan must address each element indicated below. A sample Subcontracting Plan format is shown at Attachment #9. This sample is provided as an example only and is not to be construed as an all-inclusive document. The Offeror's format will be acceptable provided the Plan addresses each element indicated below:

(a) Development of separate percentage goals for Small Business Concerns, Small Disadvantaged Business Concerns, and Women- Owned Business Concerns that are based on planned subcontracting which is challenging yet realistic. (See FAR 19.705-4(d), DFARS 219.704(a)(1) and 219.705-4). The percentages listed below represent informational goals considered reasonable and achievable during the basic performance period of the resultant contract. Goals will be re-negotiated prior to exercising any option period(s) should option(s) be a part of the solicitation.

61.2% of planned subcontracting dollars to be placed with Small Business Concerns.
9.1% of planned subcontracting dollars to be placed with those Small Business concerns owned and controlled by socially and economically disadvantaged individuals.
4.5% of planned subcontracting dollars to be placed with Women- Owned Small Business Concerns.

Goals included in any proposed Subcontracting Plan submitted should reflect goals at least equal to those suggested above. If lesser goals are proposed, firms may be required to explain how the proposed goals and the Plan represent the firm's best efforts to comply with the policy outlined in this solicitation. Proposed Subcontracting Plans will be reviewed to ensure the Plan and the firm's ability to carry out the Plan represents the firm's best efforts to maximize their abilities for subcontracting opportunities with Small Business, Small Disadvantaged Business, and Women Owned Small Business.

(i) Assurances that the Offeror will include the Clause at FAR 52.219-8; Utilization of Small Business Concerns and Small Disadvantaged Business Concerns in all subcontracts that offer further subcontracting opportunities, and that the Offeror will require subcontractors (except small business concerns) that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction) to adopt a plan similar to the plan required by the clause at FAR 52.219-9, Small Business and Small Disadvantaged Business Subcontracting Plan.

(ii) Assurance that the Offerors will (i) cooperate in studies or surveys as may be required; (ii) submit periodic reports in order to allow the Government to determine the extent of compliance by the Offeror with the Subcontracting Plan; and, (iii) submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and SF 295, Summary Subcontract Report.

(iii) A recitation of the types of records the Offerors will maintain to demonstrate procedures adopted to comply with the requirements and goals in the plan, including establishing source lists, and a description of the Offeror's efforts to locate small and small disadvantaged business concerns and to award subcontracts to them.

(iv) The name of the company employee who will be responsible for the administration of the subcontracting plan and the employee's duties. (See FAR 19.704(a)(2) and 52.219-9(d)(7)).

(b) Description of specific efforts, based on results of efforts described in paragraphs (ii) & (iii) above to ensure that Small Businesses, Small Disadvantaged Businesses, and Women Owned Small Businesses have equitable opportunity to participate in acquisitions (See FAR 19.704(a), 19.705-4, 52.219-9(d) and DFARS 219.705).

(c) Outreach action (ongoing and planned). (See FAR 19.704(a), 19.705-4, 52.219-9(d), 52.219(e), and DFARS 219.705).

(d) Describe supplies or services to be subcontracted, including identification of subcontractors, and planned for subcontracting to SB, SDB and WOSB. (See FAR 19.705-4(d), 52.219-9(d)(3), 52.219-9(e) and DFARS 219.705).

(e) Efforts undertaken to broaden SB, SDB and WOSB active vendor base. (See FAR 19.704(a), 52.219-9(d), DFARS Subpart 219.5, 219.704(a), 219.705 and 252.219-7003).

(f) Policy Statement or Evidence of Internal Guidance to company buyers recognizing commitment to Public Law 99-661, Section 1207 and Public Law 100-180, Section 806.

(g) Participation in the Department of Defense's Mentor-Protégé program (See DFARS 219.71).

(5) PAST PERFORMANCE IN UTILIZING SMALL BUSINESS CONCERNS. The Offeror shall submit data on Past Performance in utilizing small business concerns, which demonstrates how goals for Small Business and Small Disadvantaged Business participation on previous contracts were satisfied. The data to be provided shall include all the information requested on Attachment #9, "Utilization of Small Business Concerns". Data to be provided by the principal firm and all major participants of a joint venture. The data provided shall be limited to the construction, renovation, management and operation of housing communities during the past three to five years. Include in this documentation a list of contracts and subcontract performance of the prime contractor, members of a joint venture.

EVALUATION FACTORS FOR AWARD

1. SOURCE SELECTION ADVISORY COUNCIL. The Source Selection Authority (SSA) has appointed the Source Selection Advisory Council (SSAC). The SSAC is responsible for reviewing the evaluation document prepared by the SSEB and to advise both the SSEB and SSA on selection policy issues. The identities of the SSA and the SSAC members are confidential, and any attempt by the Offerors to contact these individuals is prohibited.

2. SOURCE SELECTION EVALUATION BOARD. The Source Selection Authority (SSA) has established the Source Selection Evaluation Board (SSEB) to conduct the evaluation of proposals received in response to the solicitation. The evaluation will be based exclusively on the content of the proposal and any subsequent discussions required. The SSEB will not consider any information or data incorporated by reference or otherwise referred to. The identities of the SSEB members are confidential, and any attempt by the Offerors to contact these individuals is prohibited.

3. PERFORMANCE RISK ASSESSMENT GROUP. The Source Selection Authority (SSA) has identified specific members of the Source Selection Evaluation Board (SSEB) to perform as the Performance Risk Assessment Group (PRAG) to solely conduct analyses of Volume IV - Past Performance. The PRAG will brief the SSEB on the analyses. The SSEB will then perform the evaluation based on the input from the PRAG. The evaluation may be based upon information obtained from sources other than those identified in the proposal. The PRAG will not consider any information or data incorporated by reference. The identities of the PRAG members are confidential, and any attempt by the Offerors to contact these individuals is prohibited.

4. PROPOSAL SUBMITTAL. Proposals shall be submitted in accordance with FAR 52.215-1 and the "Instructions to Offerors" portion of this Attachment #1.

5. EVALUATION CRITERIA. A source selection evaluation plan has been developed to evaluate proposals against the factors and subfactors set forth in this solicitation. Evaluations will be conducted in accordance with the Tradeoff Process, FAR 15.101-1. Volumes I, II, III, and V will be rated using an adjectival methodology with a narrative assessment and a proposal risk rating. Volume IV will receive a performance risk rating. Proposals will be evaluated to determine ratings supported by narratives, and to identify strengths, weaknesses, deficiencies, and risks of the proposed approach in each proposal.

a. EVALUATION DEFINITIONS.

(1) Strength. A substantive aspect, attribute, or specific item in the proposal that exceeds the solicitation requirements and enhances the probability of successful contract performance.

(2) Weakness. A flaw in the proposal that increases the risk of unsuccessful contract performance. A significant weakness in the proposal is a flaw that appreciably increases the risk.

(3) Deficiency. A material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases risk of unsuccessful contract performance to an unacceptable level.

(4) Clarification. Clarifications are limited exchanges, between the Government and Offerors, that may occur when award without discussions is contemplated. If award without discussions is anticipated, Offerors may be given the opportunity to clarify certain aspects of their proposals or to resolve minor or clerical errors.

(5) Discussions. Discussions are negotiations conducted in a competitive acquisition and take place after establishment of the competitive range. Discussions are tailored to each Offeror's proposal, and shall be conducted by the contracting officer with each Offeror within the competitive range.

6. RATING. Rating is the application of a scale of words, colors, or numbers, used in conjunction with narrative, to denote the degree to which the proposal has met the standard for a non-cost factor. For purposes of this solicitation, ratings will consist of words (adjectival method) used in conjunction with narratives. Ratings will be applied at the factor (volume) and subfactor level. The following ratings will be used to evaluate Volumes I, II, III, and V:

a. Excellent. The proposal demonstrates an excellent understanding of requirements and approach that significantly exceeds performance or capability standards. The proposal has exceptional strengths that will significantly benefit the Government.

b. Good. The proposal demonstrates a good understanding of requirements and approach that exceeds performance or capability standards. The proposal has one or more strengths that will benefit the Government.

c. Satisfactory. The proposal demonstrates acceptable understanding of requirements and approach that meets performance or capability standards. The proposal has an acceptable solution with few or no strengths.

d. Marginal. The proposal demonstrates shallow understanding of requirements and approach that only marginally meets performance or capability standards necessary for minimal but acceptable contract performance.

e. Unsatisfactory. The proposal fails to meet the performance or capability standards. Requirements can only be met with major changes to the proposal.

7. Proposal Risk. These are ratings that assess the risks and weaknesses associated with each Offeror's proposed approach to performing the requirements stated in the RFP. It is an overall assessment derived from the technical evaluation and is driven by each of the subfactors within the technical factor. The following proposal risk ratings will be applied to Volumes I, II, III, and V at the factor (volume) and subfactor levels:

a. Low Risk. Any proposal weaknesses have little potential to cause disruption of schedule or degradation of performance. Normal Offeror effort and normal Government monitoring will probably minimize any difficulties.

b. Moderate Risk. Approach has weaknesses that can potentially cause some disruption of schedule or degradation of performance. However, special Offeror emphasis and close Government monitoring will probably minimize difficulties.

c. High Risk. Approach has weaknesses that have the potential to cause serious disruption of schedule or degradation of performance, even with special Offeror emphasis and close Government monitoring.

8. Performance Risk. Past Performance ratings that assess the risks associated with each Offeror's likelihood of success in performing the requirements of the RFP based on that Offeror's demonstrated performance on recent, relevant contracts. The following performance risk ratings will be used in evaluating Volume IV:

a. Excellent. Very Low Performance Risk. Offeror's past performance record provides essentially no doubt that the Offeror will successfully perform the required effort.

b. Good. Low Performance Risk. Offeror's past performance record provides little doubt that the Offeror will successfully perform the required effort.

c. Adequate. Moderate Performance Risk. Offeror's past performance record provides some doubt that the Offeror will successfully perform the required effort.

d. Marginal. High Performance Risk. Offeror's past performance record provides substantial doubt that the Offeror will successfully perform the required effort.

e. Poor. Very High Performance Risk. Offeror's past performance record provides extreme doubt that the Offeror will successfully perform the required effort.

f. Unknown Performance Risk. No performance record identifiable. The Offeror has no relevant performance record. The Offeror may not be evaluated favorably or unfavorably.

9. BASIS FOR AWARD, EVALUATION FACTORS AND EVALUATION APPROACH.

Any award to be made will be based upon the best overall (i.e., best value) proposal that is determined to be the most beneficial to the Government with appropriate consideration given to the evaluation factors and subfactors shown below. Technical is slightly more important than Financial. Financial is significantly more important than Management, Past Performance and Utilization of Small Business Concerns. Management is slightly more important than Past Performance. Past Performance is more important than Utilization of Small Business Concerns. Utilization of Small Business Concerns is the least important of all volumes.

a. VOLUME I - TECHNICAL PLAN. The order of importance for the subfactors in the Technical Plan is as follows: the Design Plan is significantly more important than the Maintenance Plan; the Maintenance Plan is significantly more important than the Future Renovation Plan; the Future Renovation Plan is significantly more important than the Construction Plan; and the Construction Plan is the least important subfactor.

(1) Design Plan. The order of importance for the subelements in the Design Plan is as follows: the Dwelling Design is significantly more important than the Site Design and Unit Renovation Plan; Site Design and Unit Renovation Plan are of equal importance and are significantly more important than Design Analysis; and Design Analysis is the least important subelement.

(a) Dwelling Design. Government preference is for single family, townhouse, or duplex style units. Apartments in a stacked configuration may be used only as a last resort for two bedroom units to conserve land. Area C1 is defined as the northern portion of area C and should have a physical separation from the Junior Officer/Senior Enlisted housing located in Area C2. If at all possible, it is preferred to locate the Junior Enlisted units in Area's A and B. However, if this is not supportable by either space or utility limitations, then the use of the northern portion of Area C identified as C1 is permissible and will not detract from the rating.

(b) Site Design.

(c) Unit Renovation Plan. Offerors proposing to demolish and replace existing housing units may receive a higher rating during evaluation.

(d) Design Analysis.

(2) Maintenance Plan.

(3) Future Renovation Plan (Out-Years).

(4) Construction Plan. Proposals which demonstrate a feasible, more aggressive construction and renovation schedule shall receive a higher rating.

b. VOLUME II - FINANCIAL PLAN. The purpose of the financial plan evaluation is to determine whether an Offeror proposed financial plan is realistic and complete in relation to the solicitation and the technical and management proposal and provide an assessment of the reasonableness of the plan. The order of importance for the subfactors in the Financial Plan is as follows: the Total Project Costs is slightly more important than Sources and Uses of Equity and Conditional Loan Commitment; Sources and Uses of Equity and Conditional Loan Commitment are of equal importance and are significantly more important than Affect of Interest Rate Changes; Affect of Interest Rate Changes is slightly more important than Offeror's Historical Financial Status, Offeror's Reinvestment Plan, Fifty-Year Proforma Financial Information, and Amenities Offered and their Related Costs; and Offeror's Historical Financial Status, Offeror's Reinvestment Plan, Fifty-Year Proforma Financial Information, and Amenities Offered and their Related Costs are of equal importance and are significantly more important than the Escrow Accounts. The Escrow Accounts will be evaluated on a GO/NO-GO basis.

(1) Total Project Costs. *See Attachment 1, Exhibit C, Statement of Development Sources and Uses of Funds Proforma and Development Budget Proforma, for mandatory proforma format. The Government will evaluate the Offeror's construction management, asset management, and other fees that are accrued and/or paid during the construction phase of this project. Overall project financing will be evaluated on the basis of the risk to the Government and the Offeror's long term financial commitment to the project. The most desired form of financing status will be contingent only upon award.

(2) Sources and Uses of Equity (amount and timing). Proposals that exceed the 3% minimum owner capital contribution requirement will be rated higher for the sources and uses of equity subfactor during evaluation. The Government will evaluate the Offeror's long-term commitment to the project. As such, the Government desires that the Offeror's source of repayment of equity and amount of return on equity is from the net cash flow available after reserves and debt service.

(3) Conditional Loan Commitment. Completion of the forms (Borrower and Lender Applications for Loan Guaranty) at Attachment 1, Exhibits A and B, respectively, are required at the time of proposal submission, if the Loan Guaranty is utilized. Failure to complete the forms may render the proposal materially deficient and ineligible for contract award.

(4) Affect of Interest Rate Changes.

(5) Offeror's Historical Financial Status.

(6) Offeror's Reinvestment Plan. Those proposals that include payment of utilities in family housing units occupied by military families, dependents of military families, or Department of Defense (DOD) civilians designated as essential personnel, may be rated higher during evaluation. Those proposals which provide for future replacement of existing housing units may be rated higher during evaluation. If combinations of the above are proposed, the Offeror proposing the overall best value to the Government will receive the highest rating.

(7) Fifty-year Proforma Financial Information.

(8) Amenities Offered and their Related Costs. Those proposals that include optional amenities as shown in order of preference in Attachment 2, paragraph 5.g., may be given a higher rating during evaluation. However, the execution of said amenities during the Contract will be at the Government's discretion and shall not affect the validity of any other part of the Contract.

(9) Escrow Accounts (rated as GO/NO-GO). Escrow accounts are a minimum requirement of the Government and will be evaluated on a go/no-go basis. Offerors providing for the escrow accounts, either through its lender or the resultant Contract, shall receive a go. Offerors not providing for one or more of the escrow accounts shall receive a no-go. If required by its lender, Offerors should include a statement to that effect. Failure to provide one or more of the required escrow accounts may render the proposal materially deficient and ineligible for contract award.

- (a) Lockbox Agreement.
- (b) Escrow for Capital Repair and Replacement of Facilities.
- (c) Escrow for Construction/Renovation of Facilities. The owner equity contribution to be deposited into this account will be evaluated under Sources and Uses of Funds, paragraph 6.b.(2).
- (d) Impositions Escrow Account.
- (e) Performance Deposit.
- (f) Reinvestment Account.

c. VOLUME III - MANAGEMENT PLAN. The order of importance for the subfactors in the Management Plan is as follows: Organizational Structure is slightly more important than the Contract Implementation Plan; Contract Implementation Plan is significantly more important than the Sample Tenant Lease; and the Sample Tenant Lease is the least important subfactor.

(1) Organizational Structure.

- (a) Corporate Structure.
- (b) Resumes of Key Personnel.

(2) Contract Implementation Plan.

(3) Sample Tenant Lease. Changes may be proposed to items not identified as mandatory. Those items within the lease that are mandatory are marked with an asterisk. If said changes result in a more restrictive lease to the tenants, a lower rating may result during evaluation. If said changes result in a more favorable lease to the tenants, a higher rating may result during evaluation.

d. VOLUME IV - PAST PERFORMANCE. During the source selection process, the Government will assess the relative risks associated with the Offeror's performance based upon past performance issues cited in the proposal. Performance risks are those associated with an Offeror's likelihood of success in performing the requirements of the solicitation as indicated by that Offeror's record of past performance. Performance risk will be analyzed by the Performance Risk Assessment Group (PRAG) and provided to the SSEB for evaluation.

The Government will conduct a performance risk assessment based upon the quality of the Offeror's past performance as well as that of its proposed subcontractors, as it relates to the probability of successful accomplishment of the required effort. When assessing performance risk, the Government will focus its inquiry on the past performance of the Offeror and its proposed subcontractor(s) as it relates to all solicitation requirements (i.e., management, technical and financial) including records of conforming to specifications, standards of workmanship, containing and forecasting costs, adherence to contract schedules, history of reasonable and cooperative behavior, and commitment to customer satisfaction.

A significant achievement, problem or lack of relevant data in any element of the work can become an important consideration in the source selection process. A negative finding under any element may result in an overall high performance risk rating. Therefore, Offerors are reminded to include all relevant past efforts, including demonstrated corrective action, in their proposal.

Lack of a performance record may result in an unknown performance risk rating. In the cases where an Offeror has no previous past performance or past performance information is not available, the Offeror may be treated as an unknown performance risk and may not be rated favorably or unfavorably. Prior to determining no previous past performance, the evaluation board will consider past performance of predecessor companies, key personnel who have relevant experience, or subcontractors that will perform major or critical aspects of the Contract. Proposals that do not contain the information required by the solicitation risk rejection or high risk rating by the Government.

Offerors are cautioned that in conducting the performance risk assessment, the Government may use data provided by the Offeror in its proposal and data obtained from other sources. Since the Government may not necessarily interview all the sources provided by the Offerors, it is incumbent upon the Offeror to explain the relevance of the data provided. Offerors are reminded that while the Government may elect to consider data obtained from other sources, the burden of providing thorough and complete past performance information rests with the Offerors.

e. VOLUME V - UTILIZATION OF SMALL BUSINESS CONCERNS. The order of importance for the subfactors in Volume V is as follows: The Subcontracting Plan Requirements are slightly more important than Past Performance in Utilizing Small Business Concerns.

(1) Subcontracting Plan Requirements as identified in paragraph 8e(4) in the “Instructions to Offerors” portion of this Attachment 1.

(2) Past Performance in Utilizing Small Businesses as identified in paragraph 8e(5) in the “Instructions to Offerors” portion of this Attachment 1.

10. EVALUATION APPROACH. All proposals submitted will be forwarded to the SSEB and PRAG for evaluation. During evaluation, the proposals will be rated adjectivally based on the information contained in Volumes I through V.

All proposals shall be subject to evaluation by a team of Government personnel. The content of written proposals and written responses to questions, will be evaluated to determine the degree and extent to which the requirements and objectives set forth in the solicitation are satisfied. No assumptions will be made by the Government evaluators regarding areas not define in the Offerors’ written proposal.

E&Y Kenneth Leventhal, financial consultants, will be utilized in an advisory capacity to perform financial analyses of the Offerors’ Financial Plan volumes. The consultant will not perform as voting members of the evaluation teams and will not be evaluating proposals. Their responsibility is to perform financial analyses of the Offerors’ proposals and to brief the Source

Selection Evaluation Board of their findings. The Source Selection Evaluation Board will then use this information to evaluate and rate the proposals accordingly.

11. PREAWARD REVIEWS. The Government reserves the right to conduct a preaward survey of any Offeror under consideration to confirm any part of the information furnished by the Offeror, or to require other evidence of technical, financial, management, past performance, and other capabilities, the positive establishment of which is determined by the Government to be necessary for the successful performance of the Contract.

12. COMPETITIVE RANGE. The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a) and restated at page 1-21 of this solicitation). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if that is determined to be necessary, following the SSEB's evaluation. If discussions are deemed necessary, a competitive range will be established comprised of all of the most highly rated proposals. However, if the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. After the Government's receipt of the participating Offerors' final revised proposals, those proposals still included in the competitive range will be reevaluated based upon the supplemental information, and an award will be made without further discussions.

13. AWARD OF CONTRACT. The Government will award a contract resulting from this solicitation to the responsible Offeror whose proposal represents the best value to the Government after evaluation, all factors considered (i.e., technical, financial, management, past performance, and utilization of small business concerns). The factors to be used to evaluate offers are identified in the "Instructions to Offeror" portion of this attachment.

14. CONTRACT MANAGEMENT PROCEDURES (CMPs). CMPs (e.g., points of contact, emergency phone numbers, how the Contractor plans to in-process military members, etc.) will consist of detailed administrative processes and procedures describing how the Contractor will perform the functions and duties required by the terms and conditions of the Contract. After award, the Omaha District will request the Contractor to submit CMPs for review, finalization and incorporation into the Contract.

15. PROTESTS. Protests, as defined in 33.101 of the Federal Acquisition Regulation, shall be filed in accordance with FAR Subpart 33.1.

**Privatization of Military Family Housing
Fort Carson, Colorado**

Solicitation No. DACA45-98-R-0024

**Attachment 1, Exhibit B
Lender Application
for
Loan Guaranty**

GUARANTEED LENDER ELIGIBILITY FORM

PURPOSE

This form was created in an effort for DoD to:

- Meet federal requirements regarding guaranteed lender eligibility, as stated in the Office of Management and Budget (OMB) Circular No. A-129 and the Debt Collection Improvement Act (DCIA) of 1996. Circular No. A-129 establishes policies and procedures for federal credit programs and states that agencies “should establish and publish in the Federal Register specific eligibility criteria for lender participation in federal guaranteed loan programs.” This lender eligibility form is intended to meet the standards outlined in the Circular. This form also incorporates information required under DCIA, such as requesting tax identification numbers to track any possible delinquent or defaulted government debt.

This form also allows DoD to:

- Facilitate information collection and evaluation processes for determining a lender’s eligibility to participate in DoD’s MHPI Loan Guaranty Program.
- Assure that the prospective guaranteed lender has read and understands all loan documents relating to the particular project the lender plans to finance, and has made preliminary representations in the form of certifications.
- Evaluate the lender’s commitment to finance a particular project.

MAJOR SECTIONS

- **General Information:** This section identifies the lender and assures DoD that the lender has met the minimum requirement of being an approved lender for Fannie Mae, Freddie Mac, Ginnie Mae, FHA or Federal Home Finance Board.
- **Contacts/Principal Officers:** This section provides an easy reference to determine appropriate contacts and key officials in the company. In addition, it is meant to ensure that the lender has adequate staff to handle all aspects of the multifamily mortgage business.
- **Company Profile:** This section provides preliminary information on the operations and management of the company. Financial and insurance information is requested in order to determine the lender’s financial strength.
- **Mortgage Lending Experience:** This section gives DoD a better understanding of the extent of the lender’s involvement in the mortgage business in general.

GUARANTEED LENDER ELIGIBILITY FORM

- **Multifamily Mortgage Lending Experience:** This section gives DoD assurance that the lender has experience originating and servicing multifamily mortgages. It also indicates how the lender manages delinquencies.
- **Other Servicing Performance/Internal Controls:** The questions posed in this section are meant to assure DoD that loan requirements will be met and the lender's policies and standards are clearly articulated. Furthermore, DoD is informed of the degree and extent of the lender's policies and procedures.
- **Statement of Certification:** This section helps DoD identify early in the transaction process any potential conflicts or deal breakers. DoD is also assured that the prospective guaranteed lender has read and understands all loan documents; has provided a list of contingencies relating to the financing of the transaction; and has made a firm commitment. This section also includes certifications in regard to delinquent federal debt. *One policy issue to be discussed is whether DoD will accept a lender who has sought and obtained debt forgiveness from the federal government for delinquent federal debt.*

Note:

Definition of Guaranteed Lender: The applicant is applying for approval to become a DoD Guaranteed Lender. The Guaranteed Lender is the entity that will execute the DoD Military Housing Loan Guaranty Agreement and associated Mortgage and Note.

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

I. General Information

1. Federal Tax ID No. _____
2. Dun and Bradstreet No. _____
3. Lending Company* Name _____
(On a separate sheet of paper, also supply all other names under which you do business)
*Provide name of company that will be the signatory to the Military Housing Loan Guaranty Agreement
4. Lender's Headquarters Office Address _____
5. Lender's Mailing Address _____
6. Lending Company Type _____
(i.e., Commercial Bank, Investment Bank, Housing Finance Agency, Insurance Company, Conduit, Credit Union, Finance Company, Mortgage Bank, Trade Association, Thrift, Other-specify)
7. Active Affiliates
(Include parent companies and subsidiaries with addresses—attach additional sheets is necessary)
- a. _____ c. _____
- b. _____ d. _____
8. Are you or have you been an approved multifamily lender/servicer/issuer and in good standing under the multifamily program(s) of the Federal Housing Administration, Ginnie Mae, Fannie Mae, Federal Home Finance Agency or Freddie Mac? ☐ Yes ☐ No
9. Have you closed at least one multifamily loan within the last 12 months and/or are currently servicing at least one multifamily loan for one or more of institutions noted in # 8 above? ☐ Yes ☐ No
Attach explanation as needed. ☐ Attached
10. Please provide the following information and attach letters from subject agencies noting that your company is approved and in good standing. If you are not in good standing, please include the reasons for the current status and an explanation of steps your organization is taking to change the current status. ☐ Attached

Organization	Lender #	Approval date	OPB of loans originated in last 12 months	UPB of loans serviced in last 12 months
Organization	Lender #	Approval date	OPB of loans originated in last 12 months	UPB of loans serviced in last 12 months

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

II. Contacts/Principal Officers

1. Provide the name and title of key contact person. Also include address, phone number and fax number. ☐ Attached
2. List the principal officers, their titles, and their primary areas of responsibility. ☐ Attached
3. List principal owners with more than a five percent ownership interest in the company. Indicate ownership interest. If a partnership, indicate ownership share of each partner, managing partner and identify. ☐ Attached
4. List the names and titles of individuals in *charge of multifamily mortgage areas* listed below:
 - a. Multifamily housing loan originations_____
 - b. Secondary Marketing_____
 - c. Underwriting _____
 - d. Quality Control_____
 - e. Escrow Accounting/Escrow Management_____
 - f. Servicing_____
 - g. Asset Management_____
 - h. Non-performing Loan Management_____
 - i. Other_____

5. Provide the name(s) of your President and Chief Financial Officer. Include phone number and fax number:

President _____ Phone _____ Fax _____

CFO _____ Phone _____ Fax _____

III. Company Profile

1. Provide a brief narrative describing the history and general scope of your operations. ☐ Attached
Include mergers, acquisitions, bankruptcy or default history, and recent business changes.
2. Provide a copy of your audited, consolidated financial statements for the last three years. If the audited statements are more than six months old, please provide copies of interim statements. ☐ Attached

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

3. List the states in which you are legally authorized to do business:

4. Provide a complete copy of your Fidelity Bond and Errors and Omissions insurance coverage. ☐ Attached

5. Optional: Are you a minority-owned business concern? ☐ Yes ☐ No
[Definition of a minority-owned business concern: "a firm in which more than fifty percent (50%) of the ownership is held by one or more minorities. In the case of a publicly-owned company, more than fifty percent (50%) of its voting stock must be controlled by minorities. Additionally, the management and daily business operations must be controlled by one or more such individuals."]

Black Hispanic American Indian/Alaskan Native
Asian/Pacific Islander Other (Specify)

6. Optional: Are you a woman-owned business concern? ☐ Yes ☐ No
[Definition of a woman-owned business: "a firm in which more than fifty percent (50%) of the ownership or control is held by one or more women. In the case of a publicly-owned company, more than fifty percent (50%) of the voting stock must be owned or controlled by one or more women. Additionally, the management and daily business operations must be controlled by one or more such individuals. In this context, 'control' means exercising the power to make policy decisions."]

7. Provide your Fiscal Year End Date: _____

IV. Mortgage Lending Experience

1. Provide originations by product type based on the volume generated for each of the last three fiscal years. Include total number of loans and Original Principal Balance (OPB):

Total Mortgage Loan
Originations

	Fiscal Year _____ No. Loans	OPB	Fiscal Year _____ No. Loans	OPB	Fiscal Year _____ No. Loans	OPB
Conventional	_____	\$ _____	_____	\$ _____	_____	\$ _____
Government	_____	\$ _____	_____	\$ _____	_____	\$ _____
Total	_____	\$ _____	_____	\$ _____	_____	\$ _____

Department of Defense Military Housing Privatization Initiative Guaranteed Lender Eligibility Form

2. Provide servicing by product type based on the status as of the end of each of the last three fiscal years. Include unpaid principal balance (UPB) information.

**Total Mortgage Loan
Servicing Portfolio**

	Fiscal Year _____ No. Loans	UPB	Fiscal Year _____ No. Loans	UPB	Fiscal Year _____ No. Loans	UPB
Conventional	_____	\$ _____	_____	\$ _____	_____	\$ _____
Government	_____	\$ _____	_____	\$ _____	_____	\$ _____
Total	_____	\$ _____	_____	\$ _____	_____	\$ _____

3. Provide the following statistics on total mortgage servicing portfolio:

	Fiscal Year End _____	Fiscal Year End _____	Fiscal Year End _____
WAC (Weighted Average Coupon)	_____	_____	_____
WAM (Weighted Average Maturity)	_____	_____	_____
WALA (Weighted Average Loan Age)	_____	_____	_____

4. Please list the five largest loans your organization has funded in the last three years.

<u>Loan Type</u>	<u>Original UPB</u>	<u>Origination Date</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

5. What is the largest loan you are prepared to fund? _____

Department of Defense Military Housing Privatization Initiative Guaranteed Lender Eligibility Form

V. Multifamily Mortgage Lending Experience

1. Do you originate multifamily mortgages? ☐ Yes ☐ No
2. Do you service multifamily mortgages? ☐ Yes ☐ No
3. Provide Multifamily Housing loan originations by product type based on the volume generated for each of the last three fiscal years. Include total number of loans and OPB:

Total Multifamily Housing Mortgage Loan Originations

	Fiscal Year ____		Fiscal Year ____		Fiscal Year ____	
	No. Loans	OPB	No. Loans	OPB	No. Loans	OPB
Conventional	_____	\$_____	_____	\$_____	_____	\$_____
Government	_____	\$_____	_____	\$_____	_____	\$_____
Total	_____	\$_____	_____	\$_____	_____	\$_____

4. Provide servicing by product type based on the status as of the end of each of the last three fiscal years.

Total Multifamily Housing Mortgage Loan Servicing Portfolio

	Fiscal Year ____		Fiscal Year ____		Fiscal Year ____	
	No. Loans	UPB	No. Loans	UPB	No. Loans	UPB
Conventional	_____	\$_____	_____	\$_____	_____	\$_____
Government	_____	\$_____	_____	\$_____	_____	\$_____
Total	_____	\$_____	_____	\$_____	_____	\$_____

5. Provide the following statistics on total *multifamily* mortgage portfolio:

	Fiscal Year End ____	Fiscal Year End ____	Fiscal Year End ____
WAC (Weighted Average Coupon)	_____	_____	_____
WAM (Weighted Average Maturity)	_____	_____	_____
WALA (Weighted Average Loan Age)	_____	_____	_____

Department of Defense Military Housing Privatization Initiative Guaranteed Lender Eligibility Form

6. Provide the following delinquency and foreclosure information.

Delinquent Multifamily Housing Loans -Conventional

	Fiscal Year Ending_____		Fiscal Year Ending_____		Fiscal Year Ending_____	
	No. Loans	UPB	No. Loans	UPB	No. Loans	UPB
30 days	_____	\$_____	_____	\$_____	_____	\$_____
60 days	_____	\$_____	_____	\$_____	_____	\$_____
90 days	_____	\$_____	_____	\$_____	_____	\$_____
Greater than 90 days	_____	\$_____	_____	\$_____	_____	\$_____
In foreclosure	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in foreclosure</i>	_____		_____		_____	
In bankruptcy	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in bankruptcy</i>	_____		_____		_____	
REO	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in REO</i>	_____		_____		_____	
Total	_____	\$_____	_____	\$_____	_____	\$_____

Delinquent Multifamily Housing Loan Portfolio - Government

	Fiscal Year Ending_____		Fiscal Year Ending_____		Fiscal Year Ending_____	
	No. Loans	UPB	No. Loans	UPB	No. Loans	UPB
30 days	_____	\$_____	_____	\$_____	_____	\$_____
60 days	_____	\$_____	_____	\$_____	_____	\$_____
90 days	_____	\$_____	_____	\$_____	_____	\$_____
Greater than 90 days	_____	\$_____	_____	\$_____	_____	\$_____
In foreclosure	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in foreclosure</i>	_____		_____		_____	
In bankruptcy	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in bankruptcy</i>	_____		_____		_____	
REO	_____	\$_____	_____	\$_____	_____	\$_____
<i>Avg. time in REO</i>	_____		_____		_____	
Total	_____	\$_____	_____	\$_____	_____	\$_____

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

7. Please list the five largest *multifamily* loans your organization has funded in the last three years.

<u>Loan Type</u>	<u>Original UPB</u>	<u>Origination Date</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

8. Specify whether you are a rated master servicer or special servicer by any rating agencies. Provide rating agency, rating and date of rating.

<u>Rating Agency</u>	<u>Rating</u>	<u>Rating Date</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

9. Are you currently participating in other MHPI projects? ☐ Yes ☐ No
If "Yes", attach project description, loan sizes and characteristics. ☐ Attached

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

VI. Mortgage Lending Procedures And Internal Controls

Note: Following approval by the Department of Defense (DoD), lenders must establish and follow formal written procedures that correspond to the DoD Loan Guaranty Agreement for all functions.

1. Do you use a commercially available software package or an in-house computer system for loan servicing?
Specify the package used: _____ ☐ Yes ☐ No
2. Do you intend to use a subservicer for your multifamily servicing functions? ☐ Yes ☐ No
Subservicer Name/Address

3. Attach an executed copy of your subservicing contract, if applicable. ☐ Attached
4. If you have not executed a subservicing contract, please indicate when you intend to do so: Date: _____
5. If you are intending to use a subservicer, attach information on the subservicer similar to the data request outlined in Section IV-Mortgage Lending Experience and Section V-Multifamily Mortgage Lending Experience (including all delinquency data) ☐ Attached
6. Who monitors subservicer performance at your company and what is their experience? Attach additional sheets if necessary. ☐ Attached

7. Describe your procedures for monitoring subservicer performance. ☐ Attached
8. Do you have written procedures and controls for underwriting, approving, closing, servicing and delivering multifamily housing loans? ☐ Yes ☐ No
9. Please describe three default remedies used by your organization or subservicer for handling multifamily mortgages. ☐ Attached
10. Do you have a formal origination, underwriting, and delivery quality control process? ☐ Yes ☐ No
11. If yes, to number 10, is the quality control function performed by someone independent from the daily origination, underwriting, and delivery functions? ☐ Yes ☐ No
12. Do you have a formal servicing/asset management quality control plan? ☐ Yes ☐ No

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

13. If yes, to number 12, is the servicing quality control function performed by someone independent from the daily servicing/asset management functions? ☐ Yes ☐ No
14. Attach a list of areas that your written quality control plan covers. ☐ Attached
15. Do you have a plan for identifying, renovating, testing and implementing solutions by year 2000 systems processing? Describe. ☐ Description Attached ☐ Yes ☐ No

VII. Statement Of Certification

1. Have you read all loan documents relating to the Department of Defense's Military Housing Loan Guaranty provided with this solicitation or directly from DoD? ☐ Yes ☐ No
2. Do you understand the terms of DoD's guaranteed loan program as detailed in the loan documents? ☐ Yes ☐ No
3. If your application is being submitted with a bidder's proposal, have you attached a loan term sheet and firm commitment for the subject transaction? ☐ Yes ☐ No
4. Do you have any contingencies related to the financing of the subject transaction? ☐ Yes ☐ No
5. If yes to number four, attach your list of contingencies. ☐ Attached
6. Does your company have delinquent and/or defaulted government debt? ☐ Yes ☐ No
7. Is your company the subject of any litigation, assessment, or contingent liabilities not disclosed in your financial statements? ☐ Yes ☐ No
8. Does your company agree to transfer ownership of, or the servicing obligations with respect to, a guaranteed loan only to parties approved by the government or meeting the standards set forth in DoD's Military Housing Loan Guaranty Agreement? ☐ Yes ☐ No
9. Is your company duly organized and validly existing under the laws of the states listed in Section III-3 of this form and is legally authorized to carry on its business and is qualified to do business in the states listed in Section III-3 of this form? ☐ Yes ☐ No
10. To the best of the lender's knowledge, with respect to the lender; any management officials or owners with five percent or more interest or affiliated business entities of the lenders; or any employees, agents, or subservicer who will perform services relating to DoD Military Housing Guaranteed Loans: ☐ Yes ☐ No

**Department of Defense Military Housing Privatization Initiative
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- a. Are there any personal, business, or financial interests or relationships which would cause a reasonable individual with knowledge of the relevant facts to question the integrity or impartiality of those who will be acting under this transaction?
☐ Description Attached ☐ Yes ☐ No
- b. Have any such persons ever been suspended, excluded, or debarred from contracting with a Federal entity?
☐ Description Attached ☐ Yes ☐ No
- c. If this form is being completed as part of a solicitation, have any such persons ever been engaged to provide services or advice on the institutions and/or assets that are the subject of this solicitation?
☐ Description Attached ☐ Yes ☐ No
- d. Have any such persons been subject to any order, judgment or decree enjoining the engagement in any activities in connection with any type of business transaction or acting as an investment adviser, underwriter, broker, dealer, financial institution, or any other business?
☐ Description Attached ☐ Yes ☐ No
- e. Have any such persons ever been convicted of a crime or named in a pending criminal proceeding?
☐ Description Attached ☐ Yes ☐ No
- f. Have any of such persons been suspended, terminated, debarred, or denied approval by HUD, Ginnie Mae, FHA/VA or any mortgage insurance lender warehouse lender, secondary market investor (*including Fannie Mae and Freddie Mac*), conduit, or correspondent?
☐ Description Attached ☐ Yes ☐ No
- g. Have any such persons been made insolvent, made a general assignment for the benefit of creditors, declared bankrupt, suffered or permitted the appointment of a receiver for its business or assets, liquidated, or denied fidelity insurance coverage or mortgagee's errors and omissions insurance coverage?
☐ Description Attached ☐ Yes ☐ No
11. Is your company in good standing with all applicable federal, state and/or local regulating bodies, if any.
☐ Yes ☐ No
12. Does your company have the lawful authority to originate and/or service DoD guaranteed loans in its own name?
☐ Yes ☐ No

**Department of Defense Military Housing Privatization Initiative
Guaranteed Lender Eligibility Form**

13. Are there any actions, claims, inquiries, investigations, suits or proceedings pending, at law or in equity or before or by any government agency, or, to the knowledge of your company, threatened against or affecting your company which reasonably may be expected to result in any material adverse change in the business, operations, assets or condition of your company? ☐ Description Attached ☐ Yes ☐ No
14. Does your company agree to notify DoD in writing within 30 days if there are any material changes in its corporate or ownership structure or business practices, including, but not limited to changes in name, principal place of business, mergers, dissolution, bankruptcy or insolvency, character of business, status as an approved lender in any federal loan or loan guaranty programs? Do you also agree to notify the government of material changes in any information provided in connection with this application? ☐ Yes ☐ No
15. Does your company agree to comply with the conditions established by the government for continued participation in the DoD Military Housing Loan Guaranty Program? ☐ Yes ☐ No
16. Does your company agree to promptly furnish any additional information needed in connection with its approval as a guaranteed lender, its operation or in connection with any guaranteed loan? Does your company agree to make available to the government upon reasonable prior notice, for inspection, copying and auditing, its books, records and accounts with respect to any guaranteed loan or general operations relating to any guaranteed loan? If any guaranteed loan shall ever be serviced or sub-serviced by a party other than the lender, will your company require (and any servicing or subservicing agreement shall contain a provision requiring) that any such servicer or subservicer permit such on-site inspections, evaluations and audits of its operations and records? ☐ Yes ☐ No

In addition to the agreements set forth above, the lender specifically must agree to comply with the following requirements in furtherance of Office of Management and Budget (OMB) Circular A-129 and the Debt Collection Improvement Act of 1996.

17. Does your company agree to require prospective borrowers (including all principals of the borrower) under the DoD guaranteed loan program to provide their tax identification number? Does your company agree to notify parties that their tax identification number will be used by the lender and the government to determine whether such parties are delinquent or in default on any Federal debt and to report on delinquent debt? ☐ Yes ☐ No
18. Does your company agree to collect and report on delinquent debt of borrowers under the DoD guaranteed loan program? ☐ Yes ☐ No
19. Does your company agree to report credit extensions and delinquent debts of prospective borrowers under the guaranteed loan program to credit reporting bureaus to support the improvement of providing debtor information to the public and federal agencies? ☐ Yes ☐ No

Department of Defense Military Housing Privatization Initiative Guaranteed Lender Eligibility Form

20. Does your company agree to determine as part of its underwriting process whether a prospective borrower for a guaranteed loan is creditworthy and has the ability to repay a proposed guaranteed loan? The process for making such a determination shall include, at a minimum, obtaining and evaluating credit reports from credit agencies, obtaining and evaluating appraisal reports when necessary, and evaluating whether the proposed loan evidences a commercially reasonable debt service coverage and loan-to-value ratio.

☐ Yes ☐ No

21. Does your company agree to deny credit to a prospective borrower for a guaranteed loan if such party (or its principals) owes delinquent debt to the federal government and such delinquency has been satisfactorily resolved according to the federal agency responsible for administering such delinquent debt?

☐ Yes ☐ No

The undersigned entity hereby represents and warrants that: (1) all information contained in this Eligibility Form is complete and accurate, and (2) DoD will be notified of any material change in the information provided in this Form during the time after submission of this Form and prior to approval. The undersigned entity understands that DoD will be relying upon the information contained in this Form and that any misrepresentation or omission may constitute a civil or criminal violation and may be cause for suspension or termination as a Guaranteed Lender by DoD.

This application is a material representation of fact upon which reliance is being placed by the federal government. Submission of this application is a prerequisite for approval as a guaranteed lender. It is a crime to knowingly make false statements to a federal agency. Penalties upon conviction can include a fine and imprisonment. For details, see Title 18 U.S. code, Section 1001.

The undersigned person certifies that she/he is authorized to execute this application on behalf of the lender and its principals. By submitting this application, the undersigned certifies that the facts stated and the representations made in this application are true, to the best of the lender's knowledge and belief after due diligence, and that the lender has not omitted any material facts.

Name: _____

Title: _____

Signature: _____

Company: _____

Date: _____

Department of Defense Military Housing Privatization Initiative Guaranteed Lender Eligibility Form

INSTRUCTIONS FOR COMPLETION OF THE GUARANTEED LENDER ELIGIBILITY FORM

Use the attached form to apply for approval as a guaranteed lender status for the Department of Defense's (DoD) Military Housing Privatization Initiative (MHPI). The form is designed to collect basic information needed in order for DoD to undertake a full examination of the applicant. This application form is valid only when it is complete and signed by the proper authority. The following instructions apply to the attached application form.

I. General Information

1-2. The Federal tax identification number and the Dun and Bradstreet number will be used to determine whether the prospective lender is delinquent or in default on any federal debt and to collect and report on delinquent debt under the DoD guaranteed loan program. DoD reserves the right to reject a potential lender if it is not in good standing with the government. If your Dun and Bradstreet number is not known, contact your local Dun and Bradstreet office.

3-6. Self-explanatory

7. DoD reserves the right to request financial or other information from parent companies and subsidiaries as necessary in order to complete its evaluation.

8. Self explanatory

9. Self explanatory

10. In addition to information requested on this form, attach any information that will confirm your current level of participation in these agency's programs.

II. Contacts/Principal Officers

1-3. Self-explanatory

4. DoD requests information on individuals in charge of multifamily mortgage areas to ensure that there is adequate quality staffing for MHPI project loans. In addition to the functions noted under 4a-4h, include individuals in charge of other areas not listed under "4i-Other."

5. Self-explanatory

III. Company Profile

1. Self explanatory

2. In the event that current audited financials for the last three years are not available, please attach an explanation along with interim financial statements.

3. Self explanatory

4. Self explanatory

5. The definition of minority-owned business concern is from the FAR.

6. The definition of woman-owned business concern is from the FAR.

7. Fiscal Year End Date should correspond with financial statements.

IV. Mortgage Lending Experience

1. Loans that are sold to Fannie Mae, Freddie Mac or other private sector company are considered conventional. FHA, Rural Housing Service and Veterans Administration loans, among others, are considered government. Note that the original loan balances (OLBs) are requested.

2. Note that the unpaid principal balances (UPBs) are requested.

3. The WAC, WAM and WALA is for the entire portfolio, whether government or conventional.

4. The loans do not need to be multifamily loans. Loans should have been originated in the last three years.

5. This figure does not commit the lender. It is meant to provide DoD with an understanding of what the lender's perceived loan limit is.

V. Multifamily Mortgage Lending Experience

1-2. Based on status as of current fiscal year.

3-5. Corresponds to 1-3 in "IV. Mortgage Lending Experience" section, except it only includes multifamily mortgages.

6. Average time in foreclosure, bankruptcy or REO should be noted in months. A separate attachment is acceptable.

7. Loans listed should have been originated in last three years.

8. Include ratings from all agencies. If you have been rated more than once by the same agency, provide the most recent rating.

9. Self-explanatory.

VI. Mortgage Lending Experience

1. If more than one loan servicing system is used, list all and explain what each system is used for.

2-7. Subservicer information should be as complete as possible, especially if subservicer will be used for MHPI projects.

8. DoD may request copies of your written procedures for underwriting and servicing multifamily loans.

9. Default remedies should include concrete examples of ways in which the remedies were exercised.

10-14. A clearly written and comprehensive quality control plan is requested.

15. Attach plan for handling Year 2000 systems processes.

VII. Statement of Certification

1-21 and Signature. The following are representations that will be part of your permanent record. Items 17-21 ensure compliance with federal requirements, including compliance with the Debt Collection Improvement Act of 1996 and the Office of Management and Budget (OMB) Circular A-129. For all certifications that are indicated as "No", attach explanations or legal opinion for any of your responses, if appropriate. This application must be signed by an officer of the company who has the authority to certify on behalf of the lender and its principals.

**Privatization of Military Family Housing
Fort Carson, Colorado**

Solicitation No. DACA45-98-R-0024

**Attachment 2
Description/Specifications/Work Statement**

DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

1. PURPOSE OF CONTRACT.

a. The Contractor shall provide, maintain, manage and own 840 new family housing units and revitalize or replace, maintain, manage and own the existing 1,823 family housing units on Fort Carson. This Contract is authorized pursuant to Title XXVIII, Subtitle A, Military Housing Privatization Initiative (MHPI) (Public Law 104-106, 10 U.S.C. 2871 et seq.). The objective of this contract is to provide the best possible military family housing at Fort Carson, making the most of all of the financial resources available throughout the term of the contract.

b. The MHPI allows the Government to offer the private sector the following enhancement to promote the construction of new housing. It is up to the Offeror to determine whether this enhancement will be required to provide affordable housing for the military personnel of Fort Carson. The Contractor will be provided an investment contribution in the form of land and/or structures and transfer of title of existing units after Contract award. In addition, the following enhancement may be combined with the investment contributions above:

(1) Government loan guarantee, equal to the lesser of 80% of the value of the Project; or the amounts of the outstanding principal of the loan. This guarantee will be applicable in the event of base closure, downsizing, or major deployment (see Attachment 3). **NOTE:** Project Value is defined as total project costs during the construction and renovation period.

c. Once the Contract is awarded, the Contractor will be provided an executed copy of the Contract; however, the executed copy of the Contract does not constitute notice to proceed. The Contractor will not receive control of the land, properties, or rent payments for up to 120 days after award of the contract, pending finalization of all documents pertinent to this Contract, including but not limited to final approved financing, final Loan Guaranty, executed Lease for the land, executed Quitclaim Deed, and executed Tenant Lease. It should be noted that the terms and conditions of the Loan Guaranty, the Lease, the Quitclaim Deed, and the Tenant Lease will not be modified during finalization of these documents. A notice to proceed will be provided upon finalization of the Contract documents identified above as a minimum, however, the 50 year term shall begin on the date that this Contract is signed. Upon expiration or termination of this contract, the Contractor shall provide to the Government all historical documents pertaining to the land and buildings.

d. This Contract is subject to the terms and conditions of the Federal Acquisition Regulation (FAR).

e. Changes in key personnel, Subcontractors, and Subleasing arrangements shall be allowed only if approved by the Contracting Officer.

f. Any inconsistency in this solicitation or contract shall be resolved by giving

precedence in the following order: (1) contract clauses; (2) the specifications; and (3) other documents, exhibits, and attachments.

2. PROPERTY TO BE LEASED. The parcels of land to be leased are located at the northwest corner of Fort Carson, Colorado. Approximately 467.18 acres are currently developed. Approximately 309.69 acres are not developed.

3. TERMS AND CONDITIONS OF LEASE.

a. FORM OF LEASE. The leased land will be subject to any existing easements for electric power transmission lines, telephone or telegraph lines, water, gas, gasoline, oil, sewer pipelines, or other facilities located on the property. The lease (the "Lease") for said land shall be executed between the Government and Contractor (the "Lessee"). The Contractor shall conform to all technical requirements and other appropriate terms and conditions within the Contract that pertain to the leased land. The Federal Government will retain title to all land identified in the Lease. The Lease is provided at Attachment 4, in its substantive form and shall be subject to the terms, conditions, and provisions of the Contract. No provision of the Contract shall merge into such Lease, and each and every obligation of the Government and the Contractor under this Contract shall remain in full force and effect unless modified in writing by mutual agreement of the Government and the Contractor. The Lease for the land will not be evaluated as part of source selection.

b. TERM. The land will be leased for a term of 50 years, effective on the date of Contract award. At the Government's option, the Lease may be extended for an additional term not to exceed 25 years.

c. CONSIDERATION. The consideration for the Lease is the operation and maintenance of the premises and operation, maintenance, management, renovation and replacement of the facilities and improvements (as defined in Attachment 4, Land Lease) by the Lessee.

d. JURISDICTION. The real property to be leased under this contract is currently subject to exclusive federal legislative jurisdiction. Documents supporting the jurisdictional status are available in the Documents Information Room.

4. DISPOSITION OF IMPROVEMENTS.

a. TITLE OF PROPERTY TO BE CONVEYED. Title to the existing 1,823 housing units on Fort Carson (see Attachment 2, Exhibit B), to include appliances where they are available in the units, will be transferred at no cost to the Contractor after award of the Contract and after financing is obtained by the Contractor and deemed acceptable by the Government. The Contractor shall be responsible for all title transfer and recordation tax, fees or other costs normally the obligation of a Contractor in the location of the property. From the time of title transfer, the Contractor shall be responsible for all real estate taxes, property assessments and other costs normally and customarily the obligation of an owner or ground lessee. No costs of

the title transfer shall be borne by the Government. The **Quitclaim Deed** for transfer of the housing units and ancillary improvements, shown at Attachment 5, shall be executed after award and shall be incorporated into and made a part of the Contract. The Quitclaim Deed includes a list of the specific housing units and other property to be transferred to the Contractor. Ownership in the housing units will be vested in the Contractor.

b. ADDITIONAL UNITS. The Government requires that the 840 new housing units be constructed within a maximum of four years beginning on the date of Notice to Proceed. Ownership in the housing units will be vested in the Contractor.

c. OWNERSHIP OF IMPROVEMENTS AT END OF CONTRACT TERM. Upon termination of the Contract, whether by expiration of the term or otherwise, title to the improvements then located on the Premises shall revert and/or be transferred to the Government in accordance with the terms and conditions of Attachment 4, Land Lease.

d. RESPONSIBILITY FOR ENVIRONMENTAL CONDITIONS. As consideration for the Contract, the Contractor understands and agrees to assume full responsibility and liability for any environmental conditions identified in the Preliminary Assessment Screening (PAS as defined in Attachment 4, Land Lease) and the Environmental Assessment (EA) (available for review in the Documents Information Room) that may be present within the existing Improvements on the Premises, including without limitation any asbestos-containing materials, lead-based paint, and radon. The Contractor is responsible for the abatement of radon, lead-based paint, and asbestos containing material upon conveyance of the units. The Government agrees to remain responsible and liable for any environmental conditions in, on, under or around the Premises as of the date of transfer, other than those environmental conditions specifically identified in the PAS and the EA as being present in the Improvements as of the date of transfer. For any environmental conditions first discovered in, on, under or around the Premises after the date of transfer, a presumption will exist that those conditions are the responsibility of the Contractor, but said presumption is rebuttable.

e. TAXES. All Federal, State and Local tax, regulatory, recording and other costs and consequences of leasing land subject to exclusive federal legislative jurisdiction, and of owning improvements situated on such land, are the responsibility of the Contractor. The Contractor will be responsible for the payment of any real estate taxes assessed on the project. In the absence of clear written direction from state and local tax authorities that property taxes are not applicable, or are reduced, Offerors' proposals shall assume that property taxes will be assessed on the project and include such costs in its financial projections. The Offerors' proposal (Reinvestment Plan) shall include a plan for use of any savings realized from an exemption from or an abatement of property taxes on the project, or a failure or inability of the local taxing authority to assess property taxes on the project.

f. RENTAL OF HOUSING UNITS. The Contractor shall, during the term of the Contract, use its good faith best efforts to keep each housing unit leased at all times other than during any time period when they are not habitable due to construction or renovation work. This requirement includes efforts to lease any available housing units to nonmilitary or non-DOD

persons when circumstances allow such rental to civilians. Housing units shall be rented in the following preference: (1) Fort Carson military members and families; (2) military members and their families from other installations in the Fort Carson vicinity; (3) military retirees authorized occupancy; (4) DOD civilians; and (5) nonmilitary or non-DOD persons.

5. SPECIFIC REQUIREMENTS.

a. The Contractor shall provide site development plans and a detailed time and performance Schedule (defined herein) for completion of the various stages of construction or renovation and delivery of housing units. The site development plans and time and performance schedule provided will be incorporated into the terms and conditions of this Contract. The new construction and renovations must be phased so that at no given time does the total available habitable housing units drop below 1,823 housing units. The Contractor is not permitted to evict tenants to accomplish renovations. Construction of the 840 new family housing units shall be completed within a maximum of four years beginning on the date of Notice to Proceed and renovations of the existing 1,823 family housing units shall be completed within a maximum of five years beginning on the date of Notice to Proceed.

b. Rental charges for military personnel shall not exceed the military personnel's housing entitlements. Rent shall be paid monthly in arrears for military members occupying the family housing units. Rent shall be paid pursuant to allotments or electronic transfer from the service member's private financial institution, at the Government's discretion. Each specific housing unit has been or will be categorized by the Government by military pay grade and the rent will be the housing entitlements of the military pay grade designated for each housing unit. However, rent will be the housing entitlement of the military person occupying the unit, if that person's grade is different from the grade category of the unit. Adjustments in rent will correspond to annual adjustments in housing entitlements made by the Government based on yearly appropriations for the pay grade designation of each housing unit. However, in the event that a military person is demoted, the monthly rent to be paid to the Contractor will be the total of that military person's new monthly housing entitlements. The current rental income for 100% occupancy of 2,663 units based on initial distribution will be approximately \$1,700,000 (1998 figures) per month or an average monthly housing unit rent of approximately \$670.00 per month. These figures are based on the 1998 housing entitlements and may change throughout the term of the contract if DOD changes the authorized housing entitlement rates. Changes to initial rental and grade distribution may be allowed upon agreement by the Government and the Contractor.

c. The Government and Fort Carson authorities will not guarantee occupancy of the housing units. However, Fort Carson has historically operated its existing family housing units with a 95% occupancy rate and there is currently a 1,900 person waiting list for the existing housing units. Although an occupancy guarantee will not be provided, all newly assigned military personnel shall be required to process through the Contractor prior to obtaining any other housing (right of first referral).

d. The new housing units must contain a specified number of barrier free accessible units so as to meet state and Local codes for multi-family dwellings including hearing impaired and

visually impaired accommodations. Five percent of the new construction must meet the Americans with Disabilities Act requirements and accessibility guidelines, and shall be proportionately spread among the different family housing unit types.

e. The proposed development shall reflect a community atmosphere and must provide for the following minimum elements:

(1) Renovation of 1,740 of the existing 1,823 family housing units within the first five years beginning on the date of Notice to Proceed. The Contractor shall renovate, or demolish and replace housing units at the Contractor's discretion. Replacement construction must comply with the new construction requirement in this RFP. Renovations of the 1,740 existing family housing units should include but not be limited to, in the following priority (mandatory renovations are indicated by an asterisk):

*(a) Environmental hazard abatement to include asbestos, lead-based paint and radon, except as noted in Exhibit C.

*(b) New interior and exterior energy efficient light fixtures, upgraded wiring, switches and receptacles to current code, and 150 Amp electric panels.

*(c) All new kitchen, bathroom, and laundry room interior plumbing fixtures.

*(d) All new kitchen and laundry room base cabinets, wall cabinets, countertops, and bathroom vanities.

*(e) All new interior trim and door casings, interior and exterior doors and hardware, and vinyl or aluminum window blinds.

*(f) Paint interior wall surfaces and ceilings and replace and repair all damaged drywall.

*(g) All new appliances to include range/oven, dishwasher, garbage disposal, refrigerator, exhaust fans, two ceiling fans per unit (preferably located in the master bedroom and kitchen/dining room area), and smoke detectors.

*(h) New floor coverings.

*(i) Individual electric, gas and water meters for all family housing units. The Contractor shall be required to maintain all service line utilities within the family housing areas identified in the attached Lease. All main distribution systems within the family housing areas shall be maintained by the Government.

(j) Addition of patios and/or decks.

(k) Replace/repair all carports.

(l) Exterior family housing unit repairs to include but not limited to painting and pavement repair.

(m) Additional parking spaces to increase the current one per unit to 1.5 per unit and sealcoat existing parking surfaces.

(n) Addition of lawn sprinkler systems in housing areas 4, 5, 6, and seven.

(o) Bury all exterior utility lines (i.e., electric, cable TV, and telephone).

*(p) Provide landscaping and ground drainage repairs around structures.

Certain areas of Fort Carson housing have historically been prone to ground flooding. Appropriate repairs will be necessary to prevent future flooding in family housing units. Service call records pertaining to ground flooding and any additional historical records necessary are available for review in the Documents Information Room at Fort Carson.

(q) All renovation cost estimates must be based on accomplishing all the mandatory renovations indicated above, plus those optional renovations chosen to be provided by the Contractor. However, prior to renovating a unit or group of units, a joint inspection will be conducted by the Contractor and the Government. During this inspection some items may be deleted from the scheduled renovation. The value of such deleted items will be required to be placed into the capital repairs and improvements escrow at the time of the renovation. This value will be a mutually agreed price between the Contractor and the Government commensurate with existing prices prevailing in the Colorado Springs area.

(2) Renovations of the remaining 83 of the 1,823 family housing units within the first five years beginning on the date of Notice to Proceed. The Contractor shall renovate, or demolish and replace housing units at the Contractor's discretion. Replacement construction must comply with the new construction requirement in this RFP. Renovations of the remaining 83 family housing units (see Exhibit E for a listing of the 83 family housing units) shall include but not be limited to (mandatory renovations are indicated by an asterisk):

*(a) Kitchen/bathroom renovation except housing units 1 through 11, to include plumbing fixtures, cabinets, floor coverings, vanities, and countertops.

*(b) Replace interior trim, and interior and exterior doors and hardware.

*(c) Replace dishwashers and garbage disposals except in housing units 1 through 11.

*(d) Add carports/garages to company grade (O-1 through O-3 and W-1 through W-3) housing units.

(e) Additional parking spaces to increase the current one per housing unit to 1.5 per housing unit and sealcoat to existing surfaces.

(f) As an optional requirement, bury utility lines (i.e., electric, cable TV, and telephone).

(3) Construction of the 840 new family housing units within the first four years beginning on the date of Notice to Proceed. The recommended mix for new construction of the 840 family housing units may vary based on the plans provided by the Contractor and accepted by the Government. The Contractor is encouraged to submit "off-the-shelf" housing designs and plans from its standard residential portfolio.

(a) The following guidance is provided to assist in site design and planning:

# Bedrooms	Apt/Townhouse/Single Family	Townhouse/Single Family	Single Family
2 BR	90	130	0
3 BR		361	12
4 BR		213	34
TOTAL	90	704	46

(b) These new units should be constructed according to the following matrix:

AREA # Bedrooms	Unit Type	Population
A/B/C1	2 BR - 90 3 BR - 70 4 BR - 88	Junior Enlisted
G	3 BR - 2 4 BR - 24	Senior Officer
C2/I/L	2 BR - 130 3 BR - 301 4 BR - 135	Junior Officer and Senior Enlisted

Junior Enlisted refers to grades E2 - E6
Senior Officer refers to grades O4 - O6 and W4 - W5
Junior Officer refers to grades O1 - O3 and W1 - W3
Senior Enlisted refers to grades E7 - E9

(c) Minimum gross square footage should be according to those listed below:

UNIT TYPE	MIN GROSS SF
3BR/2BTH SINGLE FAMILY	1500
4BR/2 1/2BTH SINGLE FAMILY	1675
2BR/2BTH TOWNHOUSE/APARTMENT	1150
3BR/2BTH TOWNHOUSE/SINGLE FAMILY	1450
4BR/2BTH TOWNHOUSE/SINGLE FAMILY	1550

Government preference is for single family, townhouse, or duplex style units. Apartments in a stacked configuration may be used only as a last resort for two bedroom units to conserve land. Area C1 is defined as the northern portion of area C and should have a physical separation from the Junior Officer/Senior Enlisted housing located in Area C2. If at all possible it is preferred to locate the Junior Enlisted units in Area's A and B. However, if this is not supportable by either space or utility limitations then the use of the northern portion of Area C, identified as C1, is permissible. If the Contractor, in lieu of renovation, proposes demolition and replacement of existing housing, the replacement housing shall provide that personnel of a given rank all have comparable housing unit styles similar to the new construction. The attached spreadsheets provide the proposed housing structure.

Proposed Housing Structure

				Proposed	Current	1998	1998	MARRIED	% of Total	Proposed	Current
GRADE	2BR	3BR	4BR	Grade Fill	Grade Fill	BAQ+VHA	MONTHLY RENT	POPULATION	Population	% FILL	% FILL
E2	84	10	2	96	40	516	49536	194	2.01	49.48	20.62
E3	106	65	2	173	78	518.11	89633.03	373	3.87	46.38	20.91
E4	387	355	36	778	456	569.08	442744.24	2192	22.72	35.49	20.80
E5	166	354	78	598	493	647.08	386953.84	2243	23.25	26.66	21.98
E6	92	214	64	370	379	722.72	267406.4	1727	17.90	21.42	21.95
E7	20	149	65	234	113	782.78	183170.52	1090	11.30	21.47	10.37
E8	5	30	30	65	29	821.51	53398.15	283	2.93	22.97	10.25
E9	0	10	10	20	8	868.41	17368.2	66	0.68	30.30	12.12
W1	0	6	0	6	0	800.99	4805.94	17	0.18	35.29	0.00
W2	18	18	10	46	26	874.9	40245.4	189	1.96	24.34	13.76
W3	0	20	5	25	6	894.1	22352.5	81	0.84	30.86	7.41
W4	0	4	3	7	5	904.79	6333.53	34	0.35	20.59	14.71
W5	0	1	1	2	1	955.49	1910.98	8	0.08	25.00	12.50
O1	10	15	0	25	52	711.13	17778.25	55	0.57	45.45	94.55
O2	32	13	5	50	20	773.7	38685	220	2.28	22.73	9.09
O3	45	40	10	95	50	880.04	83603.8	399	4.14	23.81	12.53
O4	0	24	10	34	30	1028.93	34983.62	244	2.53	13.93	12.30
O5	0	19	5	24	6	1082.64	25983.36	177	1.83	13.56	3.39
O6	0	8	5	13	10	1154.51	15008.63	55	0.57	23.64	18.18
O7/O8	0	2	0	2	3	1176.68	2353.36	2	0.02	100.00	150.00
TOTALS:	965	1357	341	2663	1805		\$1,784,254.75	9649		0.276	0.187

Proposed Housing Structure

Existing Housing

				Proposed	1998	1998	Married	Proposed
GRADE	2BR	3BR	4BR	Grade Fill	BAQ+VHA	MONTHLY RENT	POPULATION	% FILL
E2	84	10	2	96	516	49536	194	49.48
E3	106	65	2	173	518.11	89633.03	373	46.38
E4	387	355	36	778	569.08	442744.24	2192	35.49
E5	76	314	50	440	647.08	284715.2	2243	19.62
E6	92	184	4	280	722.72	202361.6	1727	16.21
E7	0	0	0	0	782.78	0	1090	0.00
E8	0	0	0	0	821.51	0	283	0.00
E9	0	0	0	0	868.41	0	66	0.00
W1	0	0	0	0	800.99	0	17	0.00
W2	0	0	0	0	874.9	0	189	0.00
W3	0	0	0	0	894.1	0	81	0.00
W4	0	4	0	4	904.79	3619.16	34	11.76
W5	0	1	0	1	955.49	955.49	8	12.50
O1	0	0	0	0	711.13	0	55	0.00
O2	0	0	0	0	773.7	0	220	0.00
O3	0	0	0	0	880.04	0	399	0.00
O4	0	24	0	24	1028.93	24694.32	244	9.84
O5	0	19	0	19	1082.64	20570.16	177	10.73
O6	0	6	0	6	1154.51	6927.06	55	10.91
O7/O8	0	2	0	2	1176.68	2353.36	2	100.00
TOTALS:	745	984	94	1823		\$1,128,109.62	9649	0.189

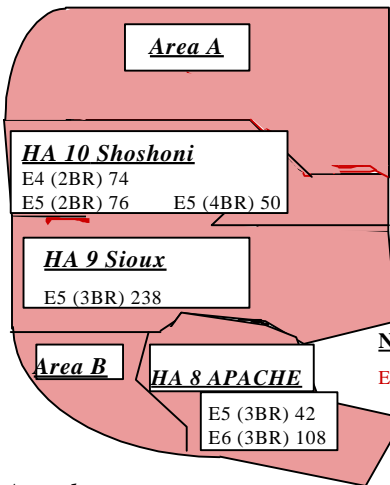
Proposed Housing Structure

New Construction

				Proposed	1998	1998	Married	Proposed
GRADE	2BR	3BR	4BR	Grade Fill	BAQ+VHA	MONTHLY RENT	POPULATION	% FILL
E2	0	0	0	0	516	0	194	0.00
E3	0	0	0	0	518.11	0	373	0.00
E4	0	0	0	0	569.08	0	2192	0.00
E5	90	40	28	158	647.08	102238.64	2243	7.04
E6	0	30	60	90	722.72	65044.8	1727	5.21
E7	20	149	65	234	782.78	183170.52	1090	21.47
E8	5	30	30	65	821.51	53398.15	283	22.97
E9	0	10	10	20	868.41	17368.2	66	30.30
W1	0	6	0	6	800.99	4805.94	17	35.29
W2	18	18	10	46	874.9	40245.4	189	24.34
W3	0	20	5	25	894.1	22352.5	81	30.86
W4	0	0	3	3	904.79	2714.37	34	8.82
W5	0	0	1	1	955.49	955.49	8	12.50
O1	10	15	0	25	711.13	17778.25	55	45.45
O2	32	13	5	50	773.7	38685	220	22.73
O3	45	40	10	95	880.04	83603.8	399	23.81
O4	0	0	10	10	1028.93	10289.3	244	4.10
O5	0	0	5	5	1082.64	5413.2	177	2.82
O6	0	2	5	7	1154.51	8081.57	55	12.73
O7/O8	0	0	0	0	1176.68	0	2	0.00
TOTALS:	220	373	247	840		\$656,145.13	9649	0.087

Legend

E1-E6	
E7-E9, W1-W3, O1-O3	
W4-W5, O4-O8	

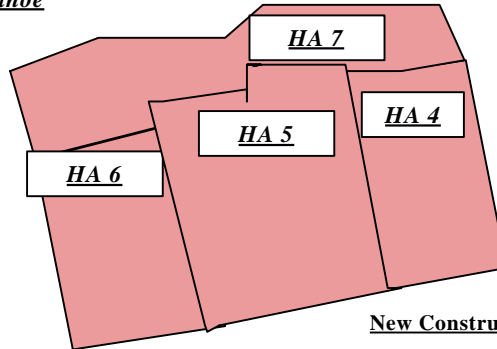


New Construction Areas A,B,C1

E5 (2BR) 90 E5 (3BR) 40 E5 (4BR) 28
E6 (3BR) 30 E6 (4BR) 60

HA's 4,5,6,7: Cherokee, Choctow, Arapahoe

E2 (2BR) 84 E2 (3BR) 10 E2 (4BR) 2
E3 (2BR) 106 E3 (3BR) 65 E3 (4BR) 2
E4 (2BR) 313 E4 (3BR) 355 E4 (4BR) 36
E5 (3BR) 34



New Construction Area G

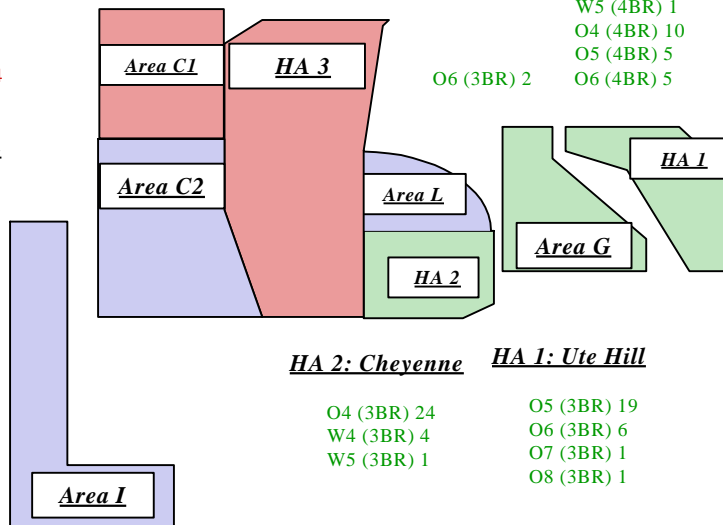
W4 (4BR) 3
W5 (4BR) 1
O4 (4BR) 10
O5 (4BR) 5
O6 (3BR) 2 O6 (4BR) 5

HA 3: Cheyenne

E6 (2BR) 92 E6 (3BR) 76 E6 (4BR) 4

New Construction Areas C2, I, and L

E7 (2BR) 20 E7 (3BR) 149 E7 (4BR) 65
E8 (2BR) 5 E8 (3BR) 30 E8 (4BR) 30
E9 (3BR) 10 E9 (4BR) 10
W1 (3BR) 6
W2 (2BR) 18 W2 (3BR) 18 W2 (4BR) 10
W3 (3BR) 20 W3 (4BR) 5
O1 (2BR) 10 O1 (3BR) 15
O2 (2BR) 32 O2 (3BR) 13 O2 (4BR) 5
O3 (2BR) 45 O3 (3BR) 40 O3 (4BR) 10



HA 2: Cheyenne

O4 (3BR) 24
W4 (3BR) 4
W5 (3BR) 1

HA 1: Ute Hill

O5 (3BR) 19
O6 (3BR) 6
O7 (3BR) 1
O8 (3BR) 1

(d) Each family housing unit shall have a kitchen and bathrooms, and other amenities such as coat closets and washer/dryer hookups, normally found in rental units.

(e) Each kitchen shall contain suitable cabinetry, and will be furnished with a refrigerator, range with vent hood externally vented, dishwasher, and garbage disposal.

(f) Individual electric, gas and water meters for all family housing units. The Contractor shall be required to maintain all service line utilities within the family housing areas identified in the attached Land Lease.

(g) Each housing unit shall have suitable window coverings (lead-free vinyl or aluminum blinds as a minimum).

(h) The electric service panel shall be required as per applicable codes, but shall not be less than 150 Amps.

(4) Fire hydrants.

(5) Adequate storm drainage system.

(6) Security street lighting, automatically controlled, sufficient to illuminate dark or shadowed areas that create safety or security hazards.

(7) Drought resistant landscaping.

(8) Play-Lots and playgrounds with appropriate equipment.

(9) Dwelling unit numbers.

(10) Minimum removal or destruction of existing trees.

(11) Paved streets with curbs, driveways and sidewalks.

(12) Full time resident management and maintenance capability.

(13) Mail boxes acceptable to US Postal Office.

(14) Community barbecue and picnic facilities.

(15) Interior storage facilities.

(16) Children and pet security fences for individual units.

f. Standard utility services, such as electric power, natural gas, water, sewage, cable TV, telephone, shall be provided in each family housing unit.

g. The development plans may include the following optional facilities in the following priority.

(1) Family Center to include medium multipurpose gymnasium, kitchen and cafeteria facilities, 12 classrooms, open recreation area, fitness room, multi craft room, and outside basketball/tennis/softball courts.

(2) Other storage associated with each family housing unit.

(3) Jogging/bicycle paths/pet exercise areas.

(4) Bus stops for school and city.

(5) Other facilities as appropriate.

The Contractor may provide, or sublease the real property for the provision of, supporting facilities such as day care centers and Laundromats. All actions must be taken in accordance with the Lease, approved by the Commanding General of Fort Carson and the Army and Air Force Exchange Service (AAFES) system, and within the constraints of Section 2871 of Title 10, United States Code.

h. The Contractor shall provide a maintenance plan, which addresses, at a minimum, the following items:

(1) Scope of Work.

(2) Personnel.

(a) Property Manager.

- Hours of operation
- Location of office
- How to contact the Contractor for service
- General duties and responsibilities

(b) On call Emergency personnel and plan.

(3) Quality Control System

- Independent Quality Control
- Procedures for handling corrective action
- Customer complaint system

(4) Performance Evaluation Meetings

(5) Safety Plan

(6) Normal Maintenance and Repair Plan

(7) Turnover Maintenance Plan

(8) Trash Removal and Disposal Plan

(9) Care of Facilities and Grounds

- Snow removal and ice control
- Lawn and common area maintenance
- Parking lots and sidewalks
- Play-lots and playgrounds

(10) Seasonal and Preventive Maintenance Plan

(11) Exterior Utilities Maintenance Plan

(12) Pest Treatment Plan

i. The Contractor shall not be required to pay the cost of utilities in family housing units occupied by military families, dependents of military families, or Department of Defense (DOD) civilians designated as essential personnel. All natural gas, electric power, water, and sewage shall be provided by the Government for DOD personnel occupying family housing units. Under no circumstance shall DOD personnel be required to pay utilities. However, a proposal may offer to include payment of the cost of utilities as a form of reinvestment.

The Contractor shall be required to pay for the cost of utilities (electric, gas, water, and sewage) for Contractor occupied support facilities and family housing units occupied by other than DOD personnel. Utility rates will be the prevailing rate established by the Local regulatory authority for comparable service; in the event that there is no Local (as defined elsewhere herein) regulation applicable to the terms and conditions for service comparable to this service, then the rate shall be determined by the prevailing market rate for comparable service.

6. ADDITIONAL MISCELLANEOUS REQUIREMENTS.

a. REGULATORY CONTROLS. The Contractor's use of the leased land and family housing units, including construction, renovation, management, operation, maintenance, repair and replacement of buildings and facilities, shall, as a minimum, conform to the most stringent regulatory controls and requirements of the latest issue, as of the date of performance of related work, of the following publications as amended:

(1) City of Colorado Springs, Colorado and/or El Paso County, Colorado Building Codes and Ordinances, copies of which may be obtained from the City of Colorado Springs, Colorado, and El Paso County, Colorado.

(2) Current issues of National Fire Protection Association Standards and Codes, in particular, National Fire Protection Association Publication No. NFPA-70, National Electrical Code, and NFPA-72, National Fire Code. The code and pamphlets are available from the National Fire Protection Association, Battery March Park, Quincy, MA 02269.

(a) Telephone wiring methods shall comply with EIA/TIA Standard 570, Residential and Light Commercial Telecommunications Wiring Standard. Cable and jacks shall be Category 5 per EIA/TIA 568A, Commercial Building Telecommunications Cabling Standard.

(3) American Water Works Association National Standards.

(4) Institute of Electrical and Electronics Engineers (IEEE) Standard: National Electrical Safety Code. (ANSI C2).

(5) All other Federal, State and Local laws, codes, ordinances and regulations pertaining to the construction, operation, occupancy, repair and maintenance of nonmilitary residential complexes.

(6) Manual on Uniform Traffic Control Devices, US Department of Transportation.

(7) The Contractor and/or his Subcontractors shall comply with all applicable Federal and Local environmental laws.

(8) Where codes and standards conflict, the stricter of applicable Federal or Local codes shall apply.

(9) In no event shall the Contractor allow the housing units to degrade to a point as to not meet the definition of decent, safe and sanitary as defined under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646) as amended, and Title VIII of the Civil Rights Act of 1968 (Public Law 90-284) as amended.

(10) For environmental compliance, the Contractor and his Subcontractors shall obtain and/or coordinate all environmental permits and/or approvals required by all Local, State, and Federal environmental agencies having jurisdiction. The Contractor shall be responsible for all fees associated with the permits and approvals.

b. EVICTION OF TENANTS. The Contractor will, after obtaining approval from the Installation Commander through the Contracting Officer, have the right to evict tenants who fail to comply with the rules or community standard established for the housing areas, or for noncompliance with the terms of the approved tenant lease. Approval of evictions will be based on a clearly defined process and will not be unreasonably withheld. It is further understood and agreed that the Installation Commander, acting through the Contracting Officer, may require the Contractor to remove tenants from the leased premises for good and sufficient reason.

c. HOUSING REFERRAL LIST. The Government shall maintain a housing referral list, and revisions thereto, identifying eligible military personnel, DOD employees, and employees of the Government. The Contractor shall then offer to lease to said personnel in the priority specified in said referral list.

(1) Any Lease offered to persons appearing on the Government housing referral list shall be for a minimum term of six months and shall provide for automatic month to month renewal thereafter until either party gives the other party 30 days written notice of relinquishment. The Lease shall also provide that it may be terminated by the Contractor upon 30 days written notice if the Fort Carson Commanding General has notified the Contractor that the occupant concerned is no longer eligible, or if an occupant receives short notice military reassignment orders.

(2) In the event that the Government fails to provide sufficient referrals such that the overall occupancy rate of the housing development drops below 95% for three consecutive months after receipt of written notice from the Contractor to the Government stating that such units are vacant and available for lease, the Contractor may then rent such family housing units to the general public as specified in paragraph (3), below.

(3) Unless otherwise approved in writing by the Government, all family housing units rented to persons other than those appearing on the Government housing referral list shall be on a six-month Lease and shall provide for automatic month to month renewal thereafter at market rates that are no lower than the military rates charged to military personnel. Any Lease granted to persons other than military or DOD employees shall reserve unto the Contractor the right to revoke the Lease in the event there is a declaration of a national emergency by the President or Congress of the United States, and the Contractor, as Lessor, hereby agrees that it will, during the period of any such national emergency, revoke such Leases at the written request of the Government.

d. TENANT LEASE/RENTAL AGREEMENTS. Attachment 6 is a sample Tenant Lease provided by the Government. The Contractor shall provide a Tenant Lease intended to apply to the tenants of the units unless the sample Tenant Lease at Attachment 6 is used. Any substantive revision in the agreements or rules affecting the use and operation of the housing units shall be approved by the Government. The Contractor's Tenant Lease shall include a military release clause providing 30-day notice and release from a long term Lease for military members, in the event of short notice military reassignment orders.

e. TENANT SECURITY DEPOSITS. The Contractor shall not charge a security deposit to any tenant that occupies the housing units from the Government housing assignment list. The military tenant will agree to Government release of future duty assignments and address information to the Contractor. Military tenants will be required to obtain Contractor verification prior to being allowed to clear the installation housing office. As a condition of the Contract, the Government does not assume any liability for damage to the rental unit or other fees or obligations incurred by military personnel. The Government will not indemnify the Contractor in any way, but agrees to provide reasonable assistance to the Contractor in resolving liability to the

extent permitted by law and Government regulations.

f. RENT CONTROL. Rents for military tenants on the housing referral list will be limited to the housing entitlements for the pay grade for which that housing unit has been designated. However, if a housing unit is assigned to a military person of a different grade than the grade for which the housing unit was designated, the rent shall be the housing entitlement of the individual assigned to the unit. Adjustments in rent will correspond to annual adjustments in housing entitlements made by the Government based on yearly appropriations for the pay grade designation of each housing unit. However, in the event that a military person is demoted, the monthly rent to be paid to the Contractor will be the total of that military person's new monthly housing entitlements. Military personnel occupying the units will be required to pay for rents monthly in arrears by allotment or electronic transfer from the service member's private financial institution, at the Government's discretion, to the Leaseholder.

g. AS-BUILT DRAWINGS. Within 60 days upon completion of any construction or renovation, the Contractor shall provide to the Director, Fort Carson Housing Office, CADD drawing files in Intergraph Microstation format, Version 5.0.62 or higher, certified to be complete and accurate, of as-built drawings, to include utilities, for each such housing unit's construction or renovation. All electronic data shall be delivered in the .DGN file format utilizing an agreed upon electronic media.

h. FINANCIAL PLAN.

(1) Risk and Commitments.

(a) The first mortgage shall be at a fixed rate of interest unless the Contractor, to the satisfaction of the Government, mitigates the interest rate risk over the life of the loan by some form of interest rate protection vehicle.

(2) Cross Collateralization/Cross Default Provisions. This privatization project is expected to "stand alone" and as such, the Contractor is prohibited from cross collateralization and/or cross default of said project with any other assets. Moreover, the Contractor is prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows and/or ownership of the project in part or in its entirety without prior Government approval.

(3) Equity Distributions and Preferred Returns. The Government will evaluate the Contractor's long-term commitment to the project. As such, the Government desires that the Contractor's source of repayment of equity and amount of return on equity is from the net cash flow available after reserves and debt service.

(4) Related Party Fees.

(a) The Government will evaluate the Contractor's construction management, asset management, and other fees that are accrued and/or paid during the

construction phase of this project.

(b) The Contractor shall limit the amount of the fees budgeted to be accrued or paid to related parties.

(5) Escrow Accounts. All required escrow accounts, as identified in paragraph 6.i. below, shall be established and held in Federally insured financial institutions.

i. REQUIRED ESCROW ACCOUNTS. The Contractor shall establish the following accounts (not to be duplicated if required by third party lender) to benefit the military families and the Army.

(1) LOCKBOX AGREEMENT. Throughout the term of the Contract, the Government shall require the execution of a Lockbox Agreement between the Contractor, the construction lender, third party lender, and the Government, which requires that all income from the Project be deposited into a Lockbox account held by a depository institution acceptable to the Government in an account separate from all other accounts established by the Contractor. During the term of the Guaranteed Loan, or during the term of another mortgage loan secured by the Project which has been approved by the Government, the requirement for a Lockbox may be satisfied by an agreement between the Contractor and the Guaranteed Lender, or the Contractor and such other approved mortgage lender, as applicable. Among other provisions, the Lockbox Agreement shall provide for the application of equity contributions from the Contractor and income from the Project substantially in the following order of priority:

(a) Reasonable and necessary operating expenses of the Project in accordance with an annual budget for the Project approved by the Government, and the Guaranteed Lender or other approved lender, if applicable; provided that for purposes of the Lockbox Agreement, operating expenses of the Project shall not include management fees paid to the Contractor or any party which is affiliated with, or has an identity-of-interest with, the Contractor or any of its principals.

(b) Monthly deposits into the Impositions Escrow Account (see description below).

(c) Monthly deposits into the Capital Repair/Replacement Escrow Account (see description below).

(d) Scheduled monthly payments of principal and interest and other amounts due and payable under the Guaranteed Loan or other approved loan.

(e) Amounts, if any, necessary to restore the balance of the Performance Deposit Account (see description below).

(f) Management fees paid to the Contractor or any party which is affiliated with, or has an identity-of-interest with, the Contractor or any of its principals, if applicable.

(g) Monthly deposits into the Reinvestment Account (see description below).

(h) Extraordinary expenses of the Project as approved by the Government, and the Guaranteed Lender or other approved lender, if applicable.

(i) Balance, if any, to the Contractor.

Notwithstanding the foregoing, until the final completion of all required new construction and renovation of the Project, all equity, and the balance of income from the Project following payment of items (a), (b) and (c) above, shall be deposited into the Construction Escrow (see description below). Following final completion of all required new construction and renovation of the Project, the Construction Escrow Account will no longer exist, therefore, Project income shall be applied in the order set forth above.

(2) ESCROW FOR CAPITAL REPAIR AND REPLACEMENT OF FACILITIES. The sole purpose of the Capital Repair/Replacement Escrow Account, including all interest thereon, shall be making capital repair and replacement to the project.

(a) Capital Repair/Replacement Escrow Account. The Contractor shall establish and maintain, throughout the term of the Contract, a dual signature escrow account with the Contractor and the Government as co-signatories.

(b) Account Maintenance. The Capital Repair/Replacement Escrow Account shall be maintained with a federally insured financial institution in an interest-bearing account. During the outstanding loan period, the Capital Repair/Replacement Escrow Account may be held by the lender, but can only be used as approved by the Contracting Officer or designated representative. Deposits into the Capital Repair/Replacement Escrow Account shall be made monthly on the first of each month. The adequacy of the Capital Repair/Replacement Escrow Account shall be analyzed annually by the Government representative. The Contractor shall, at all times, maintain the account with sufficient balance to pay for all maintenance, capital repair and replacement costs detailed in the Contractor's Technical Plan. The amount of the monthly deposit to the Capital Repair/Replacement Escrow Account may be increased or decreased without amending the Contract with Government approval.

(c) Disbursements from the Capital Repair/Replacement Escrow Account. Disbursements from the Capital Repair/Replacement Escrow Account may be made only after receiving the written consent of the Government Representative, or at the Government's discretion, the written consent of a lender that is providing financing to the project. Funds shall be advanced from the Capital Repair/Replacement Escrow Account in accordance with customary commercial lending practices (e.g., disbursements shall be no more frequently than once in each calendar month, based on the actual invoices of Contractors, Subcontractors, material men and suppliers for materials and equipment or services actually provided).

(3) ESCROW FOR CONSTRUCTION/RENOVATION OF FACILITIES. The purpose of the Construction Escrow Account is to ensure that the cash flow after debt service and reserves from the existing rental units is utilized to offset demolition, construction, and renovation costs.

(a) Construction Escrow Account. The Contractor shall maintain the account until the satisfactory completion and certification of occupancy of the 840 new housing units, the renovation/replacement of the existing 1,823 housing units, and all other improvements which are to be part of this project in accordance with the approved plans. The account, separate from all other accounts maintained by the Contractor and known as the "Construction Escrow Account", shall be established by the contractor on or before the signing of the Contract. The account will be a dual signature account with the Contractor and the Government as co-signatories.

(b) Account Maintenance. All operating income of the project in excess of the normal and customary operating expenses of the project must be deposited into this account as approved by the Government.

The Contractor shall deposit a minimum of 3% of the total project costs from its own capital into the Construction Escrow Account. Owner equity must be deposited upon issuance of notice to proceed. The Construction Escrow shall be maintained with a federally insured financial institution in an interest-bearing account. The Contracting Officer or designated representative may waive the requirement for the Construction Escrow if the lender requires a similar account. This escrow account shall be closed upon completion of construction and renovation/replacement.

(c) Account Funds Transfers. Deposits into the Construction Escrow shall be made monthly on or before the 15th of the month. The Construction Escrow, including all interest thereon, shall be used solely for the purpose of making the required improvements in the residential housing community. Disbursements from the Construction Escrow may be made only after receiving the written consent of the Contracting Officer or designated representative, or at the Government's discretion, the written consent of a lender that is providing financing to the project. Funds shall be advanced from the Construction Escrow in accordance with customary commercial lending practices (e.g., disbursements shall be no more frequently than once in each calendar month, based on the actual invoices of Contractors, Subcontractors, material men and suppliers for materials and equipment or services actually provided). Upon termination of the account, excess funds will be released to the Contractor upon fulfillment of his obligation under this account.

(4) IMPOSITIONS ESCROW ACCOUNT. The Contractor shall establish and maintain, throughout the term of the Contract, an escrow account which is separate from all other accounts maintained by the Contractor and known as the "Impositions Escrow Account", to cover applicable annual tax payments and insurance premium payments (reference paragraph 4.e.). The Contractor shall deposit the estimated monthly impositions into the Impositions Escrow Account. The Impositions Escrow Account shall be maintained in an interest bearing escrow account with

a federally insured financial institution. The Contracting Officer or designated representative may request proof of deposits. This condition may be satisfied by an approved escrow account with an approved Mortgagee. Proof shall be provided to the Contracting Officer or designated representative to verify the existence of the account.

(5) PERFORMANCE DEPOSIT. The Performance Deposit Account serves as a "Real Estate Management Bond".

(a) The Contractor shall establish and maintain, throughout the term of the Contract, a performance deposit account (the "Performance Deposit") which is separate from all other accounts maintained by the Contractor. The Contractor shall deposit \$500,000.00, in the form of cash or certified funds, upon initiation of the account with a federally insured financial institution in an interest-bearing account or with a commercial investment firm. The Performance Deposit shall serve as a security for the payment and performance by the Contractor of all obligations, covenants, conditions and agreements under this Contract, subject to the following terms and conditions:

(i) The Performance Deposit shall be established with the Contracting Officer or designated representative having sole disbursement of funds authority via check writing privileges. The Contractor shall maintain a minimum of \$500,000.00 in the account at all times. Once the account balance reaches \$1,000,000.00, the Government, upon request from the Contractor, shall return the amount over \$1,000,000.00.

(ii) If the Contractor fails to perform its obligations under the Contract, or otherwise commits a default, which is not cured within the applicable cure period, if any, the Contracting Officer or designated representative may use, apply or retain all or any portion of the Performance Deposit for the payment of any sum to which the Contracting Officer or designated representative may become entitled by reason of the Contractor's default, or to compensate the Contracting Officer or designated representative for any loss or damage which the Government may suffer as a result of such default.

(iii) If the Contractor fails, after receiving notice of noncompliance to accomplish the work in accordance with the Contract or fails to perform any provision of the Contract, the Contracting Officer or designated representative may, after seven days written notice to the Contractor and without prejudice to any other remedy it may have, make good such deficiencies. In such case, an appropriate Contract Modification shall be issued for the Government's unilateral deduction from the Performance Deposit the cost of correcting such deficiencies. If the amounts in the Performance Deposit account are not sufficient to cover such amount, the Contractor shall pay the difference to the Government on demand.

(iv) If the Contracting Officer or designated representative uses or applies all or any portion of the Performance Deposit in accordance with the terms of this Contract, the Contractor shall, within seven days of written notification by the Contracting Officer, deposit an amount sufficient to restore the Performance Deposit in full to the balance of the account on the date the money was removed, provided, however, that the amount to be

deposited will never be more than the amount to bring the account back up to \$1,000,000.00.

(v) If the Contractor performs all of its obligations under this Contract, and is not then in default under this Contract, the Performance Deposit, or so much of the Performance Deposit as has not been applied by the Contracting Officer or designated representative, shall be returned to the Contractor within 60 days after the expiration or termination of the Contract or the date on which the Contractor has vacated the Premises, whichever is later.

(6) REINVESTMENT ACCOUNT. The purpose of the Reinvestment Account is to protect and/or enhance the Government's investment by the Contractor designating into this account, on an annual basis, a percentage of cash flow after debt service, taxes, and preferred returns.

(a) The Government intends the Contractor to establish and maintain a Reinvestment Account throughout the term of the Contract. It shall be separate from all other accounts maintained by the Contractor.

(b) The Reinvestment Account shall be utilized for reinvestments in the project in the form of quality of life improvements that will directly benefit military families (e.g., payment of utilities, tax or interest rate related savings, construction of replacement housing units, future amenities, etc.).

(c) The Contractor shall designate that a certain percentage (0-100%) of all net cash flow after operating expenses, debt service, taxes and reserves be deposited into the reinvestment account.

j. BANKRUPTCY PROVISIONS.

(1) Waiver of Automatic or Supplemental Stay. In the event of the filing of any voluntary or involuntary petition under the U.S. Bankruptcy Code (the "Bankruptcy Code") by or against the Contractor (other than an involuntary petition filed by or joined in by the Government), the Contractor shall not assert, or request any other party to assert, that the automatic stay under § 362 of the Bankruptcy Code shall operate or be interpreted to stay, interdict, condition, reduce or inhibit the ability of the Government to enforce any rights it has by virtue of this Contract, or any other rights that the Government has, whether now or hereafter acquired, against any party responsible for the debts or obligations of the Contractor under this Contract. Furthermore, the Contractor shall not seek a supplemental stay or any other relief, whether injunctive or otherwise, pursuant to § 105 of the Bankruptcy Code or any other provision therein to stay, interdict, condition, reduce or inhibit the ability of the Government enforce any rights it has by virtue of this Contract against any party responsible for the debts or obligations of the Contractor under this Contract. The waivers contained in this paragraph are a material inducement to the Government's willingness to enter into this Contract and the Contractor acknowledges and agrees that no grounds exist for equitable relief which would bar, delay or impede the exercise by the Government of the Government's rights and remedies against the

Contractor or any party responsible for the debts or obligations of the Contractor under this Contract.

(2) Bankruptcy Acknowledgment. If any or all of the Premises or any interest in the Premises becomes the property of any bankruptcy estate or subject to any state or federal insolvency proceeding, then the Government shall immediately become entitled, in addition to all other relief to which the Government may be entitled under this Contract, to obtain (i) an order from the Bankruptcy Court or other appropriate court granting immediate relief from the automatic stay pursuant to § 362 of the Bankruptcy Code so to permit the Government to pursue its rights and remedies against the Contractor as provided under this Contract and all other rights and remedies of the Government at law and in equity under applicable state law, and (ii) an order from the Bankruptcy Court prohibiting the Contractor's use of all "cash collateral" as defined under § 363 of the Bankruptcy Code. In connection with such Bankruptcy Court orders, the Contractor shall not contend or allege in any pleading or petition filed in any court proceeding that the Government does not have sufficient grounds for relief from the automatic stay. Any bankruptcy petition or other action taken by the Contractor to stay, condition, or inhibit the Government from exercising its remedies are hereby admitted by the Contractor to be in bad faith and the Contractor further admits that the Government would have just cause for relief from the automatic stay in order to take such actions authorized under state law.

k. DEFAULT. The Government may terminate the Contract in the event the Contractor violates any of the terms and conditions herein contained or the terms and conditions of any required operations, management or maintenance agreements, and continues and persists therein for 30 days after notice thereof in writing by the Government. If the Contract is terminated for default, the Contractor shall vacate the premises and all structures and facilities shall be abandoned in place and may, at the Government's option, become the property of the United States Government without compensation therefore. In lieu of termination for violations of the terms and conditions of the Contract, the Government may, at its option, exercise any other remedy available to the Government at common law or equity, such as withdrawals from the Performance Deposit account.

1. REVIEW OF BOOKS, RECORDS, ACCOUNTS, AND REPORTS.

(1) Books and Records. At all times during the term of the Contract, the Contractor shall maintain at its principal place of business a complete and accurate set of files, books and records of all business activities and operations conducted by the Contractor in connection with the Contractor's performance under the Contract. The Contractor's records and accounts shall reflect with respect to each asset subject to the Contract, all items of income and expense allocable to the management and disposition of such asset, as well as information regarding the status of each such asset including appraisal, title to improvements, marketing and other information as required. At all times during the term of the Contract, the Government may, at such reasonable times, inspect, audit, and copy any of the Contractor's records, files, reports and related material pertaining to the assets and to the Contractor's performance under the Contract, or the Government may require the Contractor to furnish an audited financial statement.

(2) Financial Reports. Within ten days of the end of each quarter, the Contractor shall prepare and deliver to the Contracting Officer or designated representative, a quarterly financial report setting forth with respect to the performance of the Contract: (1) statements of collections, disbursements, and balances of operating accounts for the preceding quarter; (2) projected cash flow separately stated for the current and upcoming quarter; and (3) projected expenses separately stated for the current and upcoming quarter. In lieu of these financial reports, the Government, in its sole discretion, may accept financial reports that are required by the third party lender.

(3) Annual statements will be prepared by an independent certified public accountant or by a licensed public accountant certified or licensed by a regulatory authority of a state. Audits will be in accordance with the auditing standards and procedures promulgated by the American Institute of Certified Public Accountants. Financial statements requiring audits and accompanied by remarks such as "prepared from client records without audit" are unacceptable. Audited and reviewed financial statements shall contain appropriate footnotes. The independent licensed or certified public accountant shall include a statement to the effect that the amounts included in the financial report are consistent with those included in the Contractor's Federal tax returns. If the amounts are not consistent, then a statement showing differences shall be included. An audit of the Contractor's tax returns is not required.

m. DEVELOPMENT OF PLANS AND SPECIFICATIONS.

(1) The Contractor shall, after award of the Contract, prepare and submit final engineering development plans and specifications for the improvements, renovation, and new construction to be made to the premises including, but not limited to structures, utilities' systems and landscaping for the Fort Carson Commanding General or his designee's written approval 60 days prior to the commencement of each phase or increment of any construction. The terms "construction," "renovations," "rehabilitation," and "improvements" are used interchangeably herein and any of these terms may refer to the construction of new housing units and/or any renovation work or services during the term of the Contract as the context indicates. A detailed construction phasing plan shall accompany the final design plans and specifications. The Fort Carson Commanding General or his designee will approve or disapprove said plans and specifications within 30 days of submission and notify the Contractor. Reasonable variations between preliminary development plans and final development plans may be allowed at the discretion of the Fort Carson Commanding General or his designee, provided that the final plans do not substantially depart from the preliminary plans accepted as part of the proposal. The Contractor must complete various phases of construction in accordance with the approved Schedule. All improvements shall be and remain the property of the Contractor through the term of the Contract, with the exception of utility systems as identified in paragraph 8e, SITE UTILITIES.

(2) Final development plans ("Development Plans"), including design documents, shall include construction drawings, specifications and design analysis for categories such as, but not limited to architectural, structural, mechanical, electrical, grading and drainage, paving,

outside utility services, and interior and exterior color schemes. Specifications shall be in sufficient detail to fully describe and demonstrate the quality of workmanship. Detailing and installation of all equipment and materials shall comply with the manufacturers' recommendations. Design analysis shall be provided for each discipline of work and shall include all features together with the necessary equipment and material sizes, calculations, and capacities, and shall provide sufficient information to support the design.

(3) **Delays/Impacts.** Delays or other impacts caused, in whole or in part, by the Contractor or any of its Subcontractors or Subsubcontractors for whatever reason, shall not be grounds for an extension of the renovation, new construction or other times in the Schedule under the Contract. Subject to other provisions in this Contract, the Contractor shall be entitled to an extension of time for delays or other impacts caused solely by the Government, and for delays or other impacts caused by events beyond the control of the Contractor or any of its Subcontractors or Subsubcontractors provided, however, that the notice provisions and procedures herein are followed, such notice and procedures being a condition precedent to the allowance of any claim and the failure to provide such notice and comply with the procedures shall act as a complete waiver and release of any right to extension of time.

(4) The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations and orders of any public authority bearing on the performance of the work. If the Contractor observes that any of the Contract is at variance therewith in any respect, it shall promptly notify the Contracting Officer or designated representative in writing, and any necessary changes shall be made by appropriate Contract Modification. The Contractor shall indemnify and hold harmless for any loss, cost, damage or expense arising from, occasioned by or in any manner connected with violations of any such laws, ordinances, rules, regulations or orders.

n. **CONSTRUCTION AND RENOVATION INSPECTIONS.**

(1) **By the Government.** Construction inspections will be made periodically by the Government and/or its designated technical representatives to review compliance with the Contract requirements, including the Davis-Bacon and other employment related laws, and final working drawings. Periodic reviews and inspections by the Government and/or technical representatives are not to be interpreted as resulting in any approval of the Contractor's apparent progress toward meeting the Contract requirements. The Contractor shall remain completely responsible for design, construction, operation and maintenance of the project in full accordance with the requirements of the Contract.

(2) **By the Contractor.** The Contractor shall acquire the services of an independent Contractor quality control (CQC) organization, who will be responsible for maintaining an effective quality control system ("CQC System"), for the construction activities associated with the Family Housing Privatization project. The CQC System shall consist of plans, procedures, and organization necessary to produce an end product which complies with the Contract requirements and Federal and Local requirements. The CQC System shall cover all construction operations, both onsite and offsite, and shall be keyed to the proposed construction sequence.

The independent CQC organization shall consist of a Project Superintendent, CQC System Manager and sufficient number of additional qualified personnel to ensure Contract compliance. The CQC System Manager shall be a construction person with a minimum of five years in related work and shall be on the site at all times during construction. The CQC System Manager shall be assigned no other duties. An alternate for the CQC System Manager shall be identified in the Development Plan to serve in the event of the System Manager's absence. The requirements for the alternate shall be the same as for the designated CQC System Manager. The Project Superintendent in this context shall mean the individual with the responsibility for the overall management of the project, including quality and production. The Contractor shall submit a copy of its Quality Control (QC) Plan to the Government prior to the start of construction. The Contractor shall maintain a daily CQC report to monitor Contractor/ Subcontractors, operating plant or equipment, work performed, control activities performed, tests performed and test results, materials received, submittals reviewed, offsite surveillance activities, job safety and general remarks. The daily CQC report shall be retained and made available to the Government upon request.

o. CONSTRUCTION WORK REQUIREMENTS.

(1) Noise Restrictions.

(a) No construction shall be performed within 1000 feet of an occupied dwelling unit on weekends, legal holidays or between the hours of 10:00 P.M. and 7:00 A.M.

(b) No equipment shall have unmuffled exhaust.

(c) All equipment shall comply with pertinent EPA equipment noise standards.

(d) Construction equipment operators shall implement noise mitigation measures by shutting off idling equipment and installing acoustic barriers around stationary construction noise sources.

(2) Digging Permits and Road Closings. The Contractor shall allow 14 calendar days from the date of written application to receive permission to dig and to close roads. Roads shall only be closed one lane at a time and vehicular traffic shall be allowed to pass through the construction area. Work on or near roadways shall be flagged in accordance with OSHA safety requirements. Work located along the alert force route shall not cause blockage and the Contractor shall maintain unobstructed access for alert force traffic at all times.

(3) Utility Service Interruptions.

(a) Advance Notice. The Contractor shall submit written notification not less than five working days in advance of each interruption of each utility and communication service to or within existing buildings and facilities being used by others. No single outage will exceed four hours unless approved in writing. The time and duration of all outages shall be

coordinated with the Contracting Officer or designated representative.

(b) Overtime Work by Base Operating and Maintenance (O&M) Personnel. The normal working hours for Government O&M personnel whose services may be required for utility outages or similar services are from 7:30 A.M.-4:00 P.M. Overtime work by Government O&M personnel due to Contractor delays in scheduled outages, interruptions of known utility services, or other negligent acts, is prohibited.

(c) Buried Utilities. The Contractor shall coordinate all excavation work, including excavation for sign posts, fence posts, and utility poles with the Fort Carson Facilities Engineer and the telephone company prior to beginning work.

(4) Monthly Progress Report. The Contractor shall submit a monthly progress report to the Government by the fifth day of each month stating the construction and renovation work performed the past month, problems and delays encountered, Contractor's plan to maintain or regain the Schedule at its cost, solutions intended, other significant construction issues, and other information as requested by the Government.

7. THE FOLLOWING WILL BE PROVIDED TO THE CONTRACTOR BY THE GOVERNMENT:

- a. The location and description of available land and current housing areas.
- b. Lease for the land provided under the Contract.
- c. Quitclaim Deed for existing family housing units.
- d. Occupancy mix for all family housing units.
- e. Access to all information available on each particular family housing unit and housing area, to include all studies, reports, correspondence or other documentation relating to environmental conditions within each unit and any measures taken to abate or mitigate those conditions.
- f. Police and fire protection services.
- g. The Government will provide the Contractor appropriate facilities to operate out of for a period of two years from the date of award. These facilities will include both operational and maintenance facilities and will be designated by the Director of Public Works, Fort Carson, CO at the time of award. After two years the Contractor will have to either have constructed his own buildings at a site to be mutually agreed upon by the Contractor and Fort Carson, or lease space from the Government.
- h. All natural gas, electric power, water, and sewage shall be provided by the

Government for DOD personnel occupying family housing units. Under no circumstances shall DOD personnel be required to pay utilities. (See paragraph 5.i. of this Attachment 2.)

8. GENERAL DESIGN CRITERIA. The purpose of this section is to provide some requirements and guidelines for the renovation, design and construction of the family housing units on Fort Carson. The Contractor may vary from the guidelines stated. The words "shall" or "must" indicate a mandatory requirement. However, exceeding the criteria presented is desirable. The primary goal is that the new construction conforms to the norms and basic requirements for the Colorado Springs area.

a. SITE PLANNING. A major site planning objective is to assure an interesting, attractive, livable, residential environment and to utilize the potential advantages of the site. Planning should take into consideration topography, retention of existing trees, natural characteristics of the environment, climatic conditions, and prevailing winds. Design should capitalize on economics inherent in the natural characteristics of the site, such as using existing terrain to minimize cuts and fill, minimizing street frontage, consolidating utilities and providing common open spaces. Variety in arrangement and siting configuration of structures is encouraged to fit varying terrain conditions and to provide attractive residential patterns and street scapes. Structure arrangements should be informal and imaginative with setbacks and orientation to provide for the best view, privacy, and variety. Grouping of structures should enhance backyard and natural open spaces.

b. The environment and natural setting of the sites shall be maintained during and after construction by providing facilities that accommodate the existing topography and by selective cutting of the trees and shrubs. Excessive cutting and filling which is the result of recontouring the site is generally not desired. Site clearing which removes or destroys trees without preserving pockets or groups of trees in front of, between, behind, and/or around facilities is also not generally desired.

c. SPECIFIC CRITERIA. The following specific criteria are to be used as guidance in design of the family housing area except those marked with an asterisk (*) which are mandatory:

*(1) Clearance between adjacent structures shall consider requirements for fire protection, safety, and emergency access in accordance with State and Local codes.

*(2) Horizontal and vertical street alignment shall relate to the natural contours of the site and shall provide for adequate storm runoff control.

(3) Street patterns which encourage nonresident vehicular traffic through the family housing area should be avoided.

(4) Rigid gridiron-like street and building layouts should be avoided.

(5) Paved areas should be minimized as much as possible to increase the green space in the community. Large areas of paved parking should be broken up by green islands or

dividers in such a way as to not adversely affect routine ground maintenance.

(6) Appropriate buffer areas should be provided to separate and visually isolate the community from undesirable external influences.

(7) Pedestrian circulation should relate to family housing units, parking and community facilities, and be safe and attractive.

*(8) Provisions shall be made for the physically disabled at curbs and walks and with appropriate equipment for play-lots and playgrounds. Fort Carson standards shall be used for play-lots and playgrounds.

*(9) No construction will be allowed within 150 feet of golf course fairways.

*(10) Portions of existing hiking/running tracks within new and established family housing areas shall be maintained by the Contractor.

*(11) Existing firebreaks located on the west boundary of Area I (see Housing Boundary map, Attachment 11) shall be maintained according to National Forest Service standards.

d. STREETS, DRIVEWAYS, PARKING AND SIDEWALKS.

(1) Pavement design shall conform to Local design criteria. Driveways shall be paved with concrete.

(2) Street name signs and traffic control signs shall be provided at all intersections and shall conform to requirements of US Department of Transportation, Manual on Uniform Traffic Control Devices. Street names will be provided by the Fort Carson Commanding General or designee.

(3) All dead end roads shall have turnarounds for emergency vehicles.

(4) Provide at least 1.5 off street parking spaces per family housing unit.

e. SITE UTILITIES.

(1) GENERAL CRITERIA.

(a) Existing Housing Areas.

(i) Service Lines. The Contractor shall be conveyed all utility service lines associated with the existing family housing units. Service lines are defined as beginning at the point of tap or connection to the main utility distribution system and extending the entire length to supply service to each family housing unit. Conveyance of such service lines

to the Contractor during the Contract period shall require all future maintenance or replacement costs of these service lines to be borne by the Contractor. Requirement for replacement shall conform to the standards specified hereinafter for new service lines.

(ii) Distribution Lines. All other utility system components not considered service lines shall remain the property of the Government. No new service connections, taps, or interruptions shall be made to any Government-owned utility system without the prior written consent of the Government. The standards for connection and service lines shall be as specified hereinafter.

(b) New Housing Areas. The Contractor shall be responsible for design and construction of all new utility distribution system components and service lines required to provide utilities to new family housing areas.

(i) Connection to or Extension of Government-owned Utilities.

(A) The Contractor is encouraged to utilize existing Government-owned utility system infrastructure at Fort Carson as practicable or as capacity exists to service new family housing areas. Information regarding capacities or descriptions of existing utility systems is contained in Attachment 10. The information contained within Attachment 10 addresses the capabilities of existing infrastructure in providing or accepting the additional loads projected by housing development in the new family housing areas. The information shall serve as a basis for preliminary planning and design of utility components in the proposal. Final verification of adequacy of selected connection points shall be the responsibility of the Contractor during the final development stage.

(B) Government-owned utilities at Fort Carson are under the jurisdiction of the Directorate of Public Works (DPW). Requirements for design and construction of new utility system infrastructure and services connected to Government-owned utilities shall be as dictated by the DPW and as defined herein. Connection fees will not be charged for connection to or extension of Government-owned utilities at Fort Carson. The Contractor shall be responsible for all future maintenance and replacement of service lines in the new family housing areas under this arrangement. The Contractor may, at his option and expense, elect to upgrade or improve existing Fort Carson-owned utilities to provide additional capacity to support his new development. These proposed improvements shall be approved by the Government prior to construction. Any of these improvements or extensions of distribution components, required to make Government-owned utility connection possible or improved, shall become the property of the Government after construction, and as such, will be serviced and maintained by the Government at no cost to the Contractor.

(ii) Connection to or Extension of Non-Government-Owned Utilities. The Contractor may, at his option, elect to request service from and connect to non-Government-owned utility systems. All arrangements, connection fees, commodity costs, and contracts for service with non-Government-owned utility systems shall be between the Contractor and the Utility System Service Provider. All new infrastructure required for this

connection shall be completely isolated from Fort Carson utility systems and metered. Design and construction requirements for these arrangements shall be as specified by the Utility System Service Provider. Utility easements shall be obtained from the Government in areas not specifically identified in the Lease for development. All maintenance and future replacement costs of any lines (distribution or service lines) connected to non-Government-owned utility systems shall be borne by the Contractor or the Utility System Service Provider at no additional cost to the Government.

(iii) Damage to Utilities. Any damage to utility lines caused by the Contractor's operations shall be immediately reported by the Contractor to the Contracting Officer or designated representative, Fort Carson, Colorado, utility officials and to the utility company or agency affected. The Contractor shall comply with the instructions of such utility company or agency and shall pay all expenses of repair made in connection with such damages.

(iv) Simultaneous Operations—Government's Right to Perform Work and Award Separate Contracts. The Government reserves the right to perform work on Fort Carson, Colorado, with its own forces and to award other Contracts in connection with other work at Fort Carson, Colorado, under separate Contracts. In this regard, the Government's own forces and/or such other separate Contractors may perform work on Fort Carson, Colorado, simultaneously with the Contractor.

(2) SPECIFIC CRITERIA. The Contractor shall be responsible for having all new utilities comply with applicable Federal, State, City of Colorado Springs, Colorado, El Paso County, Colorado, and any specific Fort Carson requirements, some of which are stated herein (El Paso County, CO, City of Colorado Springs, CO, the State of Colorado and Fort Carson, CO utility and other codes and requirements are herein jointly referred to as "Local"). The following items, as they relate to each type of utility system, shall be used as guidance in design of the family housing area:

(a) WATER FOR DOMESTIC AND FIRE PROTECTION USE.

(i) The Contractor shall design and construct all facilities required to deliver water to the family housing areas for all domestic and fire protection use. For connection to Government-owned utilities, the criteria for determining water demands and water system component design requirements shall be as governed by the DPW and Local codes. The DPW criteria for standards of design and construction of water systems are contained in the following applicable publications:

Nature	Publication Title	Technical Manual Number	Other
Water Demands	Water Supply, Sources and General Considerations	5-813-1	
Water Storage	Water Supply, Water Storage	5-813-4	
Water Distribution Components	Water Supply, Water Distribution	5-813-5	
Fire Flow Demand	Fire Protection for Facilities; Engineering, Design, and Construction		Military Handbook 1008B

(ii) Typical material and installation requirements are as follows:

(A) For connection to non-Government-owned water systems, the water demands shall be determined in two parts. The non-fire flow demand shall be as required by the Utility System Service Provider. The fire flow component, however, shall be based upon the requirements of Military Handbook 1008B, since fire protection services are to be provided by the Government.

(B) Cathodic protection shall be provided for all buried copper, gray or ductile-iron piping, fittings, valves, and other water line appurtenances. Corrosion protection shall be designed by a licensed professional corrosion engineer or person certified by the National Association of Corrosion Engineers. Tracer wires shall be provided for all new buried underground water piping for locating purposes.

(C) For information on the capabilities of the Fort Carson Government-owned water distribution and storage system, see Attachment 10.

(b) GAS DISTRIBUTION SYSTEM. Gas Distribution systems shall include the exterior site distribution system and the individual residence service lines. System must be carefully planned and designed with due consideration for economy, safety, and uniformity of pressure and must be in accordance with American Gas Association (AGA), American Petroleum Institute (API), ASME B31.8, Gas Transmission and Distribution Piping Systems, Title 49 Code of Federal Regulations (CFR) Part 192 and Local codes.

(i) Site Distribution System. The natural gas distribution system shall be designed in accordance with AGA, API, ASME, Title 49 CFR Part 192 and Local codes. Master natural gas meters shall be provided, and installed by the Contractor at points of connection to Fort Carson main gas supply. The distribution system at Fort Carson consists of both 50 psi and 25 psi lines. The points of connection for each of the areas are shown in Attachment 10. All points of connection are to the 50 psi lines. A pressure reducing station shall

be provided to reduce the pressure to 25 psi for routing to the individual areas.

(ii) Service Lines. Service lines shall be designed in accordance with AGA, API, ASME, Title 49 CFR Part 192 and Local codes. Service line shall run parallel and/or perpendicular to the building lines, shall be buried at least 18 inches below ground surface, shall not be laid in the same trench with other utilities, and shall be above other utilities whenever they cross. Gas lines shall not be laid under paved streets or in other locations subject to heavy traffic whenever practically avoidable and economically feasible to locate elsewhere. Whenever it is necessary to locate gas lines in such locations, the lines shall be protected by suitable encasement or by burying to a depth to provide at least four feet of cover over the top of the pipe. The point of connection to the gas main shall be provided with a shutoff plug valve, conveniently located outside of any traffic area and protected with a valve box.

(A) Service Line Sizing. The size of the service line shall be sufficient to supply the demand without excessive pressure drop and shall be not less than one inch in size.

(B) Service Line Materials. All underground service lines shall be polyethylene or fiberglass and all above ground lines steel.

(C) Service Line Marker. Underground service lines shall be identified by a permanent on grade utilities marker, which indicates the type of service and depth of burial. Markers shall be located a maximum of 100 feet apart on straight runs and at every change in direction. Markers in high traffic areas shall be protected from physical damage. Markers shall consist of a stamped or engraved brass nameplate embedded in concrete.

(D) Service Line Protection. Below grade lines shall be protected from physical damage by placing a continuous, detectable plastic ribbon in the trench such that any excavation will uncover the ribbon prior to reaching the line. Above ground lines shall be protected from damage by enclosing in architectural chases and/or by placing guard rails, posts or warning devices at vulnerable points.

(E) Gas Meters. Natural gas meters shall be provided, installed and maintained by the Contractor at all individual family housing units.

(iii) Cathodic Protection. Cathodic protection shall be provided for the transitions between underground metallic piping and nonmetallic piping systems, as well as for the transition between underground metallic pipe and above ground metallic pipe. The cathodic protection system shall be designed by a licensed professional corrosion engineer or person certified by the National Association of Corrosion Engineers.

(c) WASTEWATER SYSTEM.

(i) The Contractor shall design and construct all facilities required for the collection and discharge, to appropriate treatment facilities, of all sanitary and industrial

wastewater flows generated by new construction. The existing wastewater collection and treatment system is Government-owned at Fort Carson. Connection to that system is possible for all new housing areas identified. Existing system capacities and the ability to accept additional flows are identified for relevant portions of the collection system in Attachment 10. All new wastewater collection, and pumping facilities if required, shall be designed and constructed in compliance with Federal and Local codes. For connection to the existing Government-owned system, Local codes shall include the following applicable publications:

Nature	Publication Title	Technical Manual Number	Other
Sewer Lines	Sanitary and Industrial Wastewater Collection-Gravity Sewer and Appurtenances	5-814-1	
Lift Stations and Force Mains	Sanitary and Industrial Wastewater Collection-Pumping Station and Force Mains	5-814-2	

(ii) All appropriate local approvals and permits shall be obtained for new wastewater collection and pumping designs prior to construction.

(iii) Industrial wastewater discharge from new construction shall be minimized, but in any case, shall be pretreated prior to discharge to the sanitary sewer system at Fort Carson. Pretreatment standards shall be coordinated with the DPW and the Directorate of Environmental Compliance and Management (DECAM).

(d) EXCAVATION, TRENCHING, AND BACKFILLING FOR UTILITIES SYSTEMS.

(i) Trenches. Jacking and boring shall be required when an underground utility line crosses a major roadway. Sewer and water lines, mains or laterals shall be placed in separate trenches. Separation criteria (horizontal and vertical) shall be as required by the most stringent Local code. Exceptions to the codes shall be approved by the appropriate State regulatory agency.

(ii) Trenches. The trench shall be excavated as recommended by the manufacturer of the pipe to be installed. Where no manufacturer's installation manual is available, trench walls shall be made vertical. Determination of the need for and design of shoring for trench walls greater than three feet shall be in accordance with 29 CFR 1926.652 in order to protect employees who may be exposed to cave-ins. Special attention shall be given to slopes which may be adversely affected by weather or moisture content.

(iii) Cover. Water mains shall have a minimum of five feet of

earth cover. For fire protection yard mains or piping, an additional six inches of cover is required. Sewer lines shall be located at a depth greater than the frost penetration. Earth loads and vehicular loads (in traffic areas) shall be addressed in regard to structural selection of piping materials. Minimum cover above the top of pipes shall be two feet in areas not subject to vehicular loads and three feet in all other areas.

(e) STORM DRAINAGE SYSTEM.

(i) The storm drainage system shall be properly coordinated with surrounding properties to insure that runoff does not cause damage to other properties. All drainage lines, if required, shall remain in conduit to point of connection to existing service. Information on the existing storm drainage system can be found on the site/utility CADD maps. It is the Contractor's responsibility to design the storm drainage system for the new development. The Contractor shall determine the capacity of the existing system(s) and coordinate all points of connection.

(ii) The system shall provide and maintain a positive crown or sheet drainage for all streets, roads and sidewalks. No roadside ditches shall be allowed. All curb inlet and other storm drainage system openings shall be "child-proof," and bicycle proof such that there will be no gaps greater than four inches.

(iii) Storm drainage system designs shall conform to Local design criteria. Design shall be based on no less than ten-year initial storm criteria and 100-year major storm criteria in accordance with Local codes.

(iv) Provide positive drainage for all areas. Special care should be given to grading and drainage around the family housing units to assure that good positive drainage is maintained away from the buildings.

(f) ELECTRICAL, TELEPHONE AND CABLE TELEVISION DISTRIBUTION SYSTEMS.

(i) The primary and secondary electrical distribution system shall be installed underground and use pad mounted electrical equipment. New primary laterals into new housing developments shall be master metered.

(ii) The telephone distribution system shall be installed underground. US West is the current telephone service provider on Fort Carson. The Contractor shall coordinate all installation requirements and tap points with the telephone service provider.

(iii) The cable television (CATV) distribution system shall be installed underground. The current CATV Contractor on Fort Carson is Charter Communications. The Contractor shall coordinate the CATV box and conduit size and installation requirements to each family housing unit and tap points with the CATV Contractor.

(iv) Design, construction, equipment, materials and appurtenances shall be suitable for the intended application and shall conform to industry applicable standards not limited to one or more of the following:

National Electrical Manufacturing Association
American National Standards Institute
Insulated Power Cable Engineers Association
American Society for Testing and Materials
Institute of Electrical and Electronics Engineers
Underwriters Laboratories, Inc.
National Electrical Code
National Electrical Safety Code

Interior lighting will be energy efficient and color corrected. Color Rendering Index (CRI) of 85 or better.

f. LANDSCAPING.

(1) A preliminary, integrated landscaping design for the entire site shall be provided in the proposal for the project. All new family housing and remodeling of existing family housing shall include landscaping and maintenance. Completion dates for landscaping shall be incorporated in the Schedule and Management Plan. It shall provide trees, shrubs and ground cover of adequate quantity and grouping to ensure a completely landscaped and aesthetically pleasing project. Trees for landscaping should be appropriate to the maximum extent practicable in open areas. Plants or shrubs which are potentially toxic if ingested or irritating to the skin must not be used. Use of native, drought resistant plants, "xeriscape," which have reduced irrigation requirements is encouraged.

(2) Lawn grasses and irrigation systems will be used where needed, such as in front and rear lawn areas of family housing units. Perimeter areas, outside of lawn areas, will not require irrigation systems and should use native grasses. Use of drought tolerant material is encouraged.

g. ARCHITECTURAL DESIGN.

(1) GENERAL CRITERIA. New family housing units shall be designed and constructed to provide quality housing for military personnel and shall be compatible with the environment in which they are to be constructed. The design and construction shall comply with the requirements contained herein. The design and technical criteria contained and cited herein establish minimum standards for design and construction quality. The Contractor is allowed maximum latitude in choice of style, types, designs, configurations, and materials in their architectural design, as constrained by site boundaries. All solutions shall be functional and meet the minimum standards established herein. The Contractor is encouraged to have a variety of functional solutions.

(2) ENERGY CONSERVATION. New family housing units shall be designed and constructed to reduce energy consumption in a life-cycle, cost-effective manner using renewable energy sources when economical. The Contractor's plan for this reduced energy consumption requirement shall be described in its proposal. Contractors are required to minimize energy consumption of both the heating and cooling seasons through the application of energy efficient designs within the unit. Design considerations shall include, but not be limited to, optimum glass areas and insulation levels in all rooms, promotion of cross family housing unit air ventilation, attention to construction details and exterior fenestration materials, and the use of passive solar energy systems whenever possible. Passive solar systems shall not require special attention by unit occupants.

(a) INSULATION. Insulation shall comply with Local codes. The following "R" factors are minimums:

Slab on Grade	R10
Exterior Walls	R19
Basement Walls	R15
Roof/Ceiling	R45
Windows	R2
Window Area	14% of gross wall maximum

(b) PASSIVE SOLAR. Appropriate solar architectural energy conservation considerations such as, orientation, shape, natural lighting of interior spaces, window locations, size and treatment, shading, overhangs, insulation and thermal massing will be considered as part of the design.

(c) ECOLOGICAL BENEFITS. The Contractor is encouraged to consider products and materials which will afford initial and/or long-range reductions in the consumption of water, fuels, electrical power, raw materials, or accumulation of waste matter. The Army continues to emphasize environmental quality and conservation of energy and resources.

(d) TECHNICAL CRITERIA. Technical criteria to be used for the design and construction shall comply with all applicable Local codes as a minimum and shall only be modified as described herein.

(e) SPECIFIC CRITERIA - NEW UNIT DESIGN. The designs shall conform to Local area practices with rooms arranged and sized for efficient use. The distribution of floor area for food preparation, dining/living rooms, bedrooms, bathrooms, hall closets, and services should be in balance and reasonable for the purposes served.

(i) FUNCTIONALITY. Rooms shall be sized and arranged for efficient use, good circulation and furniture placement. The distribution of space for different rooms should be balanced and should enhance the intended functions.

(ii) INDOOR/OUTDOOR INTEGRATION. Emphasis should be

placed on factors that enhance indoor/outdoor living. Consider size, layout and location of patios and yards, and features that encourage family use of outdoor area.

(iii) Areas of the family housing units where the potential for water on the floor exists shall be constructed and finished in a manner that prevents wetting of the subflooring.

(3) SOUND ATTENUATION. Sound insulation shall have a flame-spread rating of 25 or less and smoke development of 50 or less when tested in accordance with ASTM E 84, Standard Test Method for Surface Burning Characteristics of Building Materials.

(a) PARTY WALLS. Party walls separating family housing units shall provide sound attenuation with a minimum Field Sound Transmission Class (FSTC) rating of 52. Wall construction shall meet or exceed FSTC rating of 52. Installation of electrical outlet boxes, telephone outlets and other wall penetrations shall be installed to prevent the transmission of noise through the party wall below an FSTC of 52.

(b) Sound transmission standards of floor/ceiling construction between family housing units (party floors) shall be designed to provide the minimum sound transmission ratings as described below:

(i) Habitable areas (living, dining, bedrooms, halls, etc.)

Airborne sound FSTC=55

Impact of tapping FIIC=65

(ii) Wet areas (kitchen, baths, utility, laundry, etc.)

Airborne sound FSTC=55

Impact of tapping FIIC=57

(iii) Habitable areas over garages

Airborne sound FSTC=55

(c) PLUMBING AND HVAC EQUIPMENT. Design of plumbing and of heating and ventilating and air conditioning (HVAC) equipment shall include design provisions such as location, enclosure and acoustical treatment, to minimize transmission of noise generated by equipment within each family housing unit and to eliminate transmission of noise to other family housing units.

h. INTERIOR DIMENSIONS AND AREAS. Dimensions and areas of rooms shall provide for function and flow within the family housing unit arranged and sized for efficient use. All handicap accessible family housing unit designs shall comply with ADA dimensional criteria.

i. EXTERIOR AND INTERIOR FINISHES. Emphasis shall be placed on low maintenance, durability, and quality for exterior and interior finish materials. Interior finishes

shall include flooring, walls, ceilings, cabinetry, woodwork, window treatment, and trim. Materials shall be residential in size, scale, and texture.

j. POSTAL SERVICE. The Contractor shall coordinate with the U.S. Postal Service for installation of gang postal box locations. The Contractor will be required to furnish and install the appropriate postal boxes.

k. FAMILY HOUSING UNIT NUMBERS. Family housing unit numbers shall be consistent with the current numbering system for family housing units on Fort Carson.

l. STRUCTURAL DESIGN. Structural design shall comply with Uniform Building Code and Local building code requirements. Soil investigation shall be done to determine if soil is expansive, and to verify proper floor slab and foundation design.

m. SPECIAL FEATURES.

(1) METERS. Gas, electric, and water meters must be provided for each individual family housing unit. Each meter must be marked with the corresponding family housing unit number. Metering equipment will be of standard manufacture, furnished, installed, maintained and calibrated by the Contractor at his expense. Types of meters and installation must conform to Local utility standards. The Contractor, at his expense, shall periodically inspect and test the meters in accordance with Local utility standards. Sewage charge will be estimated on water usage based on standard industry practice.

(2) SMOKE DETECTORS. Smoke detectors shall be installed, hardwired, in each family housing unit. Battery powered detectors are not acceptable. The exact number and location of smoke detectors and alarm verification shall be in accordance with NFPA 72 (National Fire Alarm Code), 1993 edition, or current version.

(3) AIR CONDITIONING. Air conditioning is not allowed in any family housing units unless medically required and approved by the Fort Carson Hospital Commander and will then be installed at no expense to the Government or to the Contractor.

n. HVAC DESIGN. HVAC design shall comply with the Uniform Mechanical Code.

(1) FUEL SELECTION. Electricity shall be used for lighting, general appliances, and clothes drying. Natural gas shall be used for space heating, domestic water heating, and cooking.

(2) THERMOSTATS. Programmable thermostats shall be provided in each family housing unit and shall be of the energy efficient setback type.

(3) HEATING. Heating shall be provided by natural gas fired furnaces having an annual fuel utilization efficiency (AFUE) of not less than 80%. Furnaces shall comply with the State Building Standards code.

o. PLUMBING DESIGN. Plumbing shall be in accordance with the most current edition of the Uniform Plumbing Code and comply with Local codes as a minimum.

(1) Hot water temperature shall be set at 140 degrees Fahrenheit or less.

(2) Gas water heaters shall have an energy factor of .55, and R8 insulation as a minimum.

(3) Use efficient showerheads that flow 1.5 gallons per minute or less. Use low flow aerators on each sink that flows 1.5 gallons per minute or less. Use toilets that utilize 1.6 gallons per flush or less for water conservation.

(4) Select the lowest energy use appliances from the Consumer Guide to Home Energy Savings.

(5) Choose a refrigerator with an energy saver switch and top freezer.

9. DESIGN ENERGY USE. The Energy Use Budget (EUB) is the maximum building energy use for which the building is to be designed. The EUB for the new housing construction is EUB=45. The energy calculations may be calculated using the simplified multiple measure method described in Chapter 28, "Energy Estimating Methods," of the American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) Handbook of Fundamentals.

10. RECOMMENDED ENERGY FEATURES. The following are preferred for incorporation into the family housing unit design:

a. Place plumbing fixtures on inside walls.

b. Plant evergreen trees on the north and west sides and deciduous trees on the south and east side of family housing units.

c. Use the kitchen as a heat source on the north side of the family housing units.

d. Consider passive solar orientation to enhance comfort and reduce energy consumption.

e. Eliminate recessed fixtures in the ceilings.

f. Consider the use of blown cellulose, which is a recycled product, for insulation.

g. Provide a whole house fan in the attic with insulated panel for wintertime. Fan to be connected to cooling thermostat with an on-off switch.

h. Select energy saving dishwashers with a no heat drying cycle.

- i. Insulate around all showers and tubs. Insulate plumbing wall to provide insulation for hot water pipes in walls.
- j. Consider using recycled products in as much of the design as possible.

parts per million, and any urea formaldehyde insulation; (iii) radon in excess of 4 pCi/L; (iv) defective lead-based paint surfaces; and (v) any other chemical, material or substance, exposure to which is prohibited, limited or regulated under any Environmental Law.

"Impositions" means all taxes, levies, rates, assessments or like charges relating to the Contractor/Lessee's property, use, occupancy, or development of the Premises, such as property taxes, sales and use taxes, licenses and permit fees, fines, penalties, or other like governmental charges, and any and all other governmental levies, taxes, fees, encumbrances, assessments or charges, whether foreseen or unforeseen, general or special and ordinary or extraordinary.

"Improvements" means all of the buildings, structures, and improvements located or erected on the Premises, including equipment and other items installed thereon and any alterations, changes, or additions thereto.

"Premises" means the land, identified in Exhibit A attached hereto and made a part hereof.

"Recognized Lender" means any party which holds a mortgage on the Improvements and/or the Premises, or any portion thereof, which mortgage has been approved by the Secretary, together with the successor or permitted assigns of such Recognized Lender, as approved by the Secretary.

"Rehabilitation" means the restoration in whole or in part of any structure or Improvement to a good and usable condition.

"Replacement" means the replacement in whole or in part of any structure or Improvement so worn or damaged by any cause as to no longer adequately serve its designed function with normal maintenance.

"Secretary" means the Secretary of the Army.

1. TERM

The Premises are hereby leased for a term of 50 years, beginning _____, and ending _____. The Secretary shall have the right to extend the original term of this Lease for a period of 25 years in the event that the Contract is extended. The Secretary shall notify the Contractor/Lessee of such Lease extension in accordance with the extension provisions set forth in said Contract.

2. CONTRACT

a. This Lease and the Contract do not merge but it is intended that this Lease will function as one with the Contract and the terms of this Lease are intended to be consistent with the terms of the Contract and should be so construed. In the event, however, that the terms and

**Privatization of Military Family Housing
Fort Carson, Colorado**

Solicitation No. DACA45-98-R-0024

**Attachment 12
Clauses**

CONTRACT CLAUSES

1. 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://www.arnet.gov/far>.

(End of clause)

- 2. 52.202-1 DEFINITIONS (OCT 1995) (Reference 2.201)**
- 3. 52.203-3 GRATUITIES (APR 1984) (Reference 3.202)**
- 4. 52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)
(Reference 3.404)**
- 5. 52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE
GOVERNMENT (JUL 1995) (Reference 3.503-2)**
- 6. 52.203-7 ANTI-KICKBACK PROCEDURES (JUL 1995) (Reference 3.502-3)**
- 7. 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR
ILLEGAL OR IMPROPER ACTIVITY (JAN 1997) (Reference 3.104-9(a))**
- 8. 52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER
ACTIVITY (JAN 1997) (Reference 3.104-10(c))**
- 9. 52.203-12 LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL
TRANSACTIONS (JUN 1997) (Reference 3.808(b))**
- 10. 52.204-4 PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER
(JUN 1996) (Reference 4.304)**
- 11. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN
SUBCONTRACTING WITH CONTRACTOR DEBARRED,
SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)
(Reference 9.409(b))**
- 12. 52.215-2 AUDIT AND RECORDS--NEGOTIATION (AUG 1996)
(Reference 15.106-1(b))**
- 13. 52.217-8 OPTION TO EXTEND SERVICES (AUG 1989) (Reference 17.208(f))**

14. 52.219-8 UTILIZATION OF SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS CONCERNS (JUN 1997)
(Reference 19.708(a))
15. 52.219-9 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1996)
(Reference 19.708(b)(1))
16. 52.219-16 LIQUIDATED DAMAGES--SUBCONTRACTING PLAN (OCT 1995)
(Reference 19.708(b)(2))
17. 52.222-1 NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)
(Reference 22.103-5(a))
18. 52.222-3 CONVICT LABOR (AUG 1996) (Reference 22.202)
19. 52.222-4 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION (JUL 1995) (Reference 22.305)
20. 52.222-26 EQUAL OPPORTUNITY (APR 1984) (Reference 22.810(e))
21. 52.222-35 AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984) (Reference 22.1308)
22. 52.222-36 AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)
(Reference 22.1408)
23. 52.222-37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1988) (Reference 22.1308(b))
24. 52.222-41 SERVICE CONTRACT ACT OF 1965, AS AMENDED (MAY 1989)
(Reference 22.1006(a))
25. 52.222-43 FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT--PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS) (MAY 1989) (Reference 22.1006(c))
26. 52.223-2 CLEAN AIR AND WATER (APR 1984) (Reference 23.105(b))
27. 52.223-3 HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) (Reference 23.303)
28. 52.223-5 POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION (MAR 1997) (Reference 23.1005)

29. 52.223-6 DRUG-FREE WORKPLACE (JAN 1997) (Reference 23.505(b))
30. 52.223-12 REFRIGERATION EQUIPMENT AND AIR CONDITIONERS (MAY 1995) (Reference 23.804(b))
31. 52.226-1 UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (SEP 1996) (Reference 26.104)
32. 52.227-3 PATENT INDEMNITY (APR 1984) (Reference 27.203-1(b))
33. 52.229-3 FEDERAL, STATE, AND LOCAL TAXES (JAN 1991) (Reference 29.401-3)
34. 52.229-5 TAXES--CONTRACTS PERFORMED IN U.S. POSSESSIONS OR PUERTO RICO (APR 1984) (Reference 29.401-5)
35. 52.233-1 DISPUTES (OCT 1995) (Reference 33.215)
36. 52.233-3 PROTEST AFTER AWARD (AUG 1996) (Reference 33.106(b))
37. 52.243-1 II CHANGES--FIXED-PRICE (AUG 1987)--ALTERNATE II (APR 1984) (Reference 43.205(a)(3))
38. 52.246-4 INSPECTION OF SERVICES--FIXED-PRICE (AUG 1996) (Reference 46.304)
39. 52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JAN 1997) (Reference 47.405)
40. 52.247-64 PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (JUN 1997) (Reference 47.507(a))
41. 52.249-2 TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SEP 1996) (Reference 49.502(b)(1))
42. 52.249-8 DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (APR 1984) (Reference 49.504(a)(1))
43. 52.252-4 ALTERATIONS IN CONTRACT (APR 1984) (Reference 52.107(d))
44. 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 1989)

(a) The Government may extend the term of this contract by written notice to the Contractor within 18 months prior to expiration of the basic contract; provided, that the

Government shall give the Contractor a preliminary written notice of its intent to extend at least five years before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 75 years.

(End of clause)

- 45. 252.201-7000** CONTRACTING OFFICER’S REPRESENTATIVE (DEC 1991)
(Reference DFARS 201.602-70)
- 46. 252.203-7001** SPECIAL PROHIBITION ON EMPLOYMENT (JUN 1997)
(Reference DFARS 203.570-5)
- 47. 252.204-7004** REQUIRED CENTRAL CONTRACTOR REGISTRATION (MAR 1998)
(Reference DFARS 204.7304)
- 48. 252.209-7001** DISCLOSURE OF OWNERSHIP OR CONTROL BY THE
GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)
(Reference DFARS 209.104-70(a))
- 49. 252.209-7003** COMPLIANCE WITH VETERANS’ EMPLOYMENT REPORTING
REQUIREMENTS (MAR 1998) (Reference DFARS 222.1304(b))
- 50. 252.209-7004** SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR
CONTROLLED BY THE GOVERNMENT OF A TERRORIST
COUNTRY (MAR 1998) (Reference DFARS 209.409)
- 51. 252.219-7003** SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED
SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS)
(APR 1996) (Reference DFARS 219.708)
- 52. 252.225-7001** BUY AMERICAN ACT AND BALANCE OF PAYMENTS PROGRAM
(MAR 1998) (Reference DFARS 225.109(d))
- 53. 252.225-7002** QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS
(DEC 1991) (Reference DFARS 225.109-70(a))
- 54. 252.225-7036** BUY AMERICAN ACT--NORTH AMERICAN FREE TRADE
AGREEMENT IMPLEMENTATION ACT--BALANCE OF
PAYMENTS PROGRAM (MAR 1998)
(Reference DFARS 225.408(a)(4(A)))

55. 52.0000-4101 YEAR 2000 (Y2K) COMPLIANCE

The Contractor shall ensure products provided under this contract, to include hardware, software, firmware and middleware, whether acting alone or combined as a system, are Y2K compliant as defined in FAR 39.106.

(End of clause)

56. 52.0000-4104 YEAR 2000 (Y2K) TEST REQUIREMENTS

Minimum Test Requirements. As a minimum, all equipment and systems will be tested to ensure that they correctly calculate critical Y2K dates, including, but not limited to:

- (1) 1 January 2000;
- (2) 29 February 2000 – Required because 1900 was not a leap year;
- (3) 9 April 1999 – 99th day of the year, which may be 9999 in the Julian calendar, which may be interpreted as an error code;
- (4) 9 September 1999 – In systems using day, month, year date format, date may be 9999, which may be interpreted as an error code;
- (5) 10 January 2000 – The first date that requires 7 characters; and
- (6) 10 October 2000 – The first date that requires 8 characters.

Each item and system will be tested to ensure that the above dates are calculated correctly when they are encountered while the equipment is powered up and functioning properly, and that they will return to the correct date after the date is encountered and the equipment is powered down and restarted.

(End of clause)

CONSTRUCTION CLAUSES

The following clauses are applicable to construction work valued over \$2,000.00 under this contract:

57. 52.000-4100 YEAR 2000 (Y2K) COMPLIANCE (CONSTRUCTION)

In accordance with FAR 39.106, the Contractor shall ensure that with respect to any design, construction, goods or services under this contract, as well as any subsequent task/delivery orders issued under this contract (if applicable), all information technology contained therein shall be Y2K compliant. Specifically the Contractor shall:

(1) Perform, maintain, and provide an inventory of all major components to include structures, equipment, items, parts, and furnishings under this contract and each task/delivery order (if applicable) which may be affected by the Y2K compliance requirement.

(2) Indicate whether each component is currently Y2K compliant or requires an upgrade for compliance prior to Government acceptance.

(End of clause)

- 58. 52.222-6 DAVIS-BACON ACT (FEB 1995) (Reference 22.407(a))
- 59. 52.222-7 WITHHOLDING OF FUNDS (FEB 1988) (Reference 22.407(a))
- 60. 52.222-8 PAYROLLS AND BASIC RECORDS (FEB 1988) (Reference 22.407(a))
- 61. 52.222-9 APPRENTICES AND TRAINEES (FEB 1988) (Reference 22.407(a))
- 62. 52.222-10 COMPLIANCE WITH COPELAND ACT REQUIREMENTS (FEB 1988)
(Reference 22.407(a))
- 63. 52.222-11 SUBCONTRACTS (LABOR STANDARDS) (FEB 1988)
(Reference 22.407(a))
- 64. 52.222-12 CONTRACT TERMINATION--DEBARMENT (FEB 1988)
(Reference 22.407(a))
- 65. 52.222-13 COMPLIANCE WITH DAVIS-BACON AND RELATED ACT
REGULATIONS (FEB 1988) (Reference 22.407(a))
- 66. 52.222-14 DISPUTES CONCERNING LABOR STANDARDS (FEB 1988)
(Reference 22.407(a))
- 67. 52.222-15 CERTIFICATION OF ELIGIBILITY (FEB 1988) (Reference 22.407(a))
- 68. 52.222-23 NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO
ENSURE EQUAL EMPLOYMENT OPPORTUNITY (APR 1984)
(Reference 22.810(b))
- 69. 52.222-27 AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS FOR
CONSTRUCTION (APR 1984) (Reference 22.810(f))
- 70. 52.236-7 PERMITS AND RESPONSIBILITIES (NOV 1991) (Reference 36.507)
- 71. 52.236-12 CLEANING UP (APR 1984) (Reference 36.512)
- 72. 52.236-13 ACCIDENT PREVENTION (NOV 1991) (Reference 36.513)

INSTRUCTIONS TO OFFERORS

73. 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned that the listed provisions may include blocks that must be completed by the Offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the Offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address:

<http://www.arnet.gov/far>.

**74. 52.204-6 CONTRACTOR IDENTIFICATION NUMBER--DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER (DEC 1996)
(Reference 4.603(a))**

75. 52.252-3 ALTERATIONS IN SOLICITATION (APR 1984) (Reference 52.107(c))

76. 52.215-1 INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION (OCT 1997)

(a) Definitions. As used in this provision--

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the Offeror being allowed to revise its proposal.

"In writing" or "written" means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

"Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

"Proposal revision" is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

"Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) Amendments to solicitations. If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) Submission, modification, revision, and withdrawal of proposals. (1) Unless other methods (e.g., electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified

for receipt, the solicitation number, and the name and address of the Offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

(2) The first page of the proposal must show—

- (i) The solicitation number;
- (ii) The name, address, and telephone and facsimile numbers of the Offeror (and electronic address if available);
- (iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;
- (iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the Offeror's behalf with the Government in connection with this solicitation; and
- (v) Name, title, and signature of person authorized to sign the proposal.

Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

(3) Late proposals and revisions. (i) Any proposal received at the office designated in the solicitation after the exact time specified for receipt of offers will not be considered unless it is received before award is made and--

(A) It was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);

(B) It was sent by mail (or telegram or facsimile, if authorized) or hand-carried (including delivery by a commercial carrier) if it is determined by the Government that the late receipt was due primarily to Government mishandling after receipt at the Government installation;

(C) It was sent by U.S. Postal Service

Express Mail Next Day Service-Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays;

(D) It was transmitted through an electronic commerce method authorized by the solicitation and was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(E) There is acceptable evidence to establish that it was received at the activity designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers, and the Contracting Officer determines that accepting the late offer would not unduly delay the procurement; or

(F) It is the only proposal received.

(ii) Any modification or revision of a proposal or response to request for information, including any final proposal revision, is subject to the same conditions as in subparagraphs (c)(3)(i)(A) through (c)(3)(i)(E) of this provision.

(iii) The only acceptable evidence to establish the date of mailing of a late proposal or modification or revision sent either by registered or certified mail is the U.S. or

Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the proposal, response to a request for information, or modification or revision shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, Offerors or respondents should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(iv) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(v) The only acceptable evidence to establish the date of mailing of a late offer, modification or revision, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c)(3)(iii) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, Offerors or respondents should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(vi) Notwithstanding paragraph (c)(3)(i) of this provision, a late modification or revision of an otherwise successful proposal that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(vii) Proposals may be withdrawn by written notice or telegram (including mailgram) received at any time before award. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision entitled "Facsimile Proposals." Proposals may be withdrawn in person by an Offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before award.

(viii) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office.

(4) Unless otherwise specified in the solicitation, the Offeror may propose to provide any item or combination of items.

(5) Proposals submitted in response to this solicitation shall be in English and in U.S. dollars, unless otherwise permitted by the solicitation.

(6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the

Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) Offer expiration date. Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the Offeror).

(e) Restriction on disclosure and use of data. Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall--

(1) Mark the title page with the following legend: This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed--in whole or in part--for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this Offeror as a result of--or in connection with--the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]; and

(2) Mark each sheet of data it wishes to restrict with the following legend: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) Contract award. (1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible Offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

(5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the Offeror specifies otherwise in the proposal.

(6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.

(7) Exchanges with Offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing

exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(10) A written award or acceptance of proposal mailed or otherwise furnished to the successful Offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(11) The Government may disclose the following information in postaward debriefings to other Offerors:

- (i) The overall evaluated cost or price and technical rating of the successful Offeror;
- (ii) The overall ranking of all Offerors, when any ranking was developed by the agency during source selection;
- (iii) A summary of the rationale for award; and
- (iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful Offeror.

(End of provision)

77. 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a Services contract resulting from this solicitation.
(End of Provision)

78. 52.233-2 SERVICE OF PROTEST (AUG 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

U.S. Army Corps of Engineers, Omaha District
ATTN: CENWO-CT
215 N. 17th Street, Room 1614
Omaha, NE 68102-4978

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with GAO.

(End of Provision)

EVALUATION FACTORS FOR AWARD

79. 52.217-5 EVALUATION OF OPTIONS (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of Provision)

NOTE: SEE ATTACHMENT 1 FOR FURTHER INFORMATION.

REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

- 80.** 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO
INFLUENCE CERTAIN FEDERAL TRANSACTIONS (APR 1991)
(Reference 3.808(a))
- 81.** 52.222-21 CERTIFICATION OF NONSEGREGATED FACILITIES (APR 1984)
(Reference 22.810(a)(1))
- 82.** 52.203-2 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION
(APR 1985)

(a) The Offeror certifies that --

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this offer have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory --

(1) Is the person in the Offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; or

(2)(i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above _____

[insert full name of person(s) in the Offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the Offeror's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) of this provision have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision.

(c) If the Offeror deletes or modifies subparagraph (a)(2) of this provision, the Offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

(End of provision)

83. 52.204-3 TAXPAYER IDENTIFICATION (JUN 1997)

(a) Definitions.

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

"Corporate status," as used in this solicitation provision, means a designation as to whether the Offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the IRS to be used by the Offeror in reporting income tax and other returns.

(b) All Offerors are required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the resulting contract is subject to the reporting requirements described in FAR 4.903, the failure or refusal by the Offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) Taxpayer Identification Number (TIN).

☐ TIN:_____.

☐ TIN has been applied for.

☐ TIN is not required because:

☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

☐ Offeror is an agency or instrumentality of a foreign Government;

☐ Offeror is an agency or instrumentality of a Federal, state, or local Government;

☐ Other. State basis._____

(d) Corporate Status.

☐ Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

☐ Other corporate entity;

☐ Not a corporate entity:

☐ Sole proprietorship

☐ Partnership

☐ Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent.

☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

☐ Name and TIN of common parent:

Name _____

TIN _____

(End of provision)

**84. 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY
MATTERS (MAR 1996)**

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that --

(i) The Offeror and/or any of its Principals --

(A) Are ☐ are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have ☐ have not ☐, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are ☐ are not ☐ presently indicted for, or otherwise criminally or civilly charged by a Governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.

(ii) The Offeror has ☐ has not ☐, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation

for default.

(End of provision)

85. 52.215-4 TYPE OF BUSINESS ORGANIZATION (OCT 1997)

The Offeror or respondent, by checking the applicable box, represents that--

(a) It operates as ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, ☐ a joint venture, or ☐ a corporation incorporated under the laws of the State of _____.

(b) If the Offeror or respondent is a foreign entity, it operates as ☐ an individual, ☐ a partnership, ☐ a nonprofit organization, ☐ a joint venture, or ☐ a corporation, registered for business in (country) _____.

(End of provision)

86. 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (JAN 1997)

(a)(1) The standard industrial classification (SIC) code for this acquisition is 8744.

(2) The small business size standard is \$20M.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) Representations.

(1) The Offeror represents and certifies as part of its offer that it ☐ is, ☐ is not a small business concern.

(2) (Complete only if Offeror represented itself as a small business concern in block (b)(1) of this section.) The Offeror represents as part of its offer that it ☐ is, ☐ is not a small disadvantaged business concern.

(3) (Complete only if Offeror represented itself as a small business concern in block (b)(1) of this section.) The Offeror represents as part of its offer that it ☐ is, ☐ is not a women-owned small business concern.

(c) Definitions.

"Joint venture," for purposes of a small disadvantaged business (SDB) set-aside or price evaluation preference (as prescribed at 13 CFR 124.321), is a concern that is owned and controlled by one or more socially and economically disadvantaged individuals entering into a joint venture agreement with one or more business concerns and is considered to be affiliated for size purposes with such other concern(s). The combined annual receipts or employees of the concerns entering into the joint venture must meet the applicable size standard corresponding to the SIC code designated for the contract. The majority of the venture's earnings must accrue directly to the socially and economically disadvantaged individuals in the SDB concern(s) in the joint venture. The percentage of the ownership involvement in a joint venture by disadvantaged individuals must be at least 51 percent.

"Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Small disadvantaged business concern," as used in this provision, means a small business concern that (1) is at least 51 percent unconditionally owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals, and (2) has its management and daily business controlled by one or more such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more of these entities, which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirements of 13 CFR Part 124.

"Woman-owned small business concern," as used in this provision, means a small business concern --

(1) Which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) Notice. (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small or small disadvantaged business concern in order to obtain a contract to be awarded under the preference programs established pursuant to sections 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall --

(i) Be punished by imposition of fine, imprisonment, or both;
(ii) Be subject to administrative remedies, including suspension and debarment; and
(iii) Be ineligible for participation in programs conducted under the authority of the Act.

(End of provision)

87. 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (APR 1984)

The Offeror represents that --

(a) It [] has, [] has not, participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114;

(b) It [] has, [] has not, filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

(End of provision)

88. 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

The Offeror represents that (a) it ☐ has developed and has on file, ☐ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) it ☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(End of provision)

89. 52.223-1 CLEAN AIR AND WATER CERTIFICATION (APR 1984)

The Offeror certifies that --

(a) Any facility to be used in the performance of this proposed contract is ☐, is not ☐ listed on the Environmental Protection Agency (EPA) List of Violating Facilities;

(b) The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the EPA, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and

(c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

(End of provision)

**90. 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING
(OCT 1996)**

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) By signing this offer, the Offeror certifies that --

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the Offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: (Check each block that is applicable.)

☐ (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

☐ (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);

☐ (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has

been filed with EPA);

[] (iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in Section 19.102 of the Federal Acquisition Regulation; or

[] (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

(End of provision)

**91. 252.219-7000 SMALL DISADVANTAGED BUSINESS CONCERN
REPRESENTATION (DOD CONTRACTS) (JUN 1997)**

(a) Definition. "Small disadvantaged business concern," as used in this provision, means a small business concern, owned and controlled by individuals who are both socially and economically disadvantaged, as defined by the Small Business Administration at 13 CFR Part 124, the majority of earnings of which directly accrue to such individuals. This term also means a small business concern owned and controlled by an economically disadvantaged Indian tribe or Native Hawaiian organization which meets the requirements of 13 CFR 124.112 or 13 CFR 124.113, respectively. In general, 13 CFR Part 124 describes a small disadvantaged business concern as a small business concern --

(1) Which is at least 51 percent unconditionally owned by one or more socially and economically disadvantaged individuals; or

(2) In the case of any publicly owned business, at least 51 percent of the voting stock is unconditionally owned by one or more socially and economically disadvantaged individuals; and

(3) Whose management and daily business operations are controlled by one or more such individuals.

(b) Representations. Check the category in which your ownership falls --

____ Subcontinent Asian (Asian-Indian) American (U.S. citizen with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal)

____ Asian-Pacific American (U.S. citizen with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, U.S. Trust Territory of the Pacific Islands (Republic of Palau), the Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, the Federated States of Micronesia, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru)

____ Black American (U.S. citizen)

____ Hispanic American (U.S. citizen with origins from South America, Central America, Mexico, Cuba, the Dominican Republic, Puerto Rico, Spain, or Portugal)

____ Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians, including Indian tribes or Native Hawaiian organizations)

____ Individual/concern, other than one of the preceding, currently certified for participation in the Minority Small Business and Capital Ownership Development Program under Section 8(a) of the Small Business Act

____ Other

(c) Certifications. Complete the following --

(1) The Offeror is [] is not [] a small disadvantaged business concern.

(2) The Small Business Administration (SBA) has [] has not [] made a determination concerning the Offeror's status as a small disadvantaged business concern. If the SBA has made a determination, the date of the determination was _____ and the Offeror --

_____ Was found by SBA to be socially and economically disadvantaged and no circumstances have changed to vary that determination.

_____ Was found by SBA not to be socially and economically disadvantaged but circumstances which caused the determination have changed.

(d) Penalties and Remedies. Anyone who misrepresents the status of a concern as a small disadvantaged business for the purpose of securing a contract or subcontract shall --

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

(3) Be ineligible for participation in programs conducted under authority of the Small Business Act.

(End of provision)

92. STATEMENT OF AUTHORITY TO RELEASE PROPRIETARY INFORMATION AND DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

(See the following pages)

OFFEROR'S COVER PAGE
Request for Proposal No. DACA45-98-R-0024
Privatization of Military Family Housing, Fort Carson, Colorado

Statement of Authority to Release Proprietary Information and Disclosure of Potential Conflicts of Interest

I hereby certify by my signature below that I have read paragraph 1, Use of Technical Assistance Contractors, included in Solicitation No. DACA45-98-R-0024 and understand and approve of the release of the financial information in the proposal to E&Y Kenneth Leventhal Real Estate Group (E&YKLREG) for the purpose of providing advisory/consulting services in the Government's evaluation of this solicitation. Moreover, I understand that E&YKLREG has signed a non-disclosure/confidentiality agreement and will not disclose any information contained in this proposal submission.

I hereby certify by my signature below that I have read paragraph 2(a) (reference paragraph 2, Conflict of Interest) included in Solicitation No. DACA45-98-R-0024 and have provided a description of all such activities relating to the development of feasibility studies, policies, procedures, and/or pro-forma models for the Department of Defense, or any of its agencies to assist in the implementation of Sections 2871-2885 of the 1996 Defense Authorization Act.

I hereby certify by my signature below that I have read subparagraph 2(b) included in Solicitation No. DACA45-98-R-0024 and have provided all information reflecting the following:

1. Description of such services provided, and
2. Primary E&YKLREG office which provides services to the Offeror.

As a condition of this offer, should my firm be the selected Offeror and awarded a contract by the Government, my firm will not engage E&YKLREG for any consulting services directly related to the resultant contract within two years of the award.

If over the last two years we have engaged E&YKLREG, we will attach a schedule of engagements.

Authorized representative and signatory for Offeror:

Print Name	Title	Date
Signature		
FROM: 		
(Name of Offeror)		(Point of Contact)
		
(Street Address)		(Telephone Number)
		
(City, State and Zip Code)		(Fax Number)

1. Use of Technical Assistance Contractors

a. Offerors are advised that data submitted to the Government in response to this solicitation will be released to a technical assistance contractor (non-Government personnel). The technical assistance contractor for this procurement will be E&Y Kenneth Leventhal Real Estate Group (“E&YKLREG”), and they will provide review and analysis, as a non-voting advisor, during the source selection process. The following information regarding the role and responsibility for E&YKLREG’s participation is provided:

(1) E&YKLREG’s sole purpose in having access to the Offeror’s proposal will be to assist the Government in the evaluation process. E&YKLREG will participate in the source selection process as a non-voting advisor that provides technical advisory services, as required;

(2) All data provided shall be treated as proprietary data;

(3) E&YKLREG has signed a non-disclosure/confidentiality agreement with the Government and this documentation is retained in the PCO contract file;

(4) E&YKLREG will conduct an internal conflict of interest check prior to participating in the source selection process; and

(5) E&YKLREG will not be permitted to retain any records or notes pertaining to its role as a non-voting advisor, except those records required to be maintained under E&YKLREG’s professional standards.

2. Conflict of Interest

(a) Contractors, subcontractors, contractor team members, joint ventures, and their employees (hereinafter referred to as Offerors) who have participated in developing feasibility studies, policies, procedures, and/or pro-forma models for the Department of Defense, or any of its agencies to assist in the implementation of Sections 2871-2885 of the 1996 Defense Authorization Act may have a potential conflict of interest in responding to this solicitation. Please provide a description of all such activities, if applicable.

(b) Offerors who in the last two years have engaged E&YKLREG may have a potential conflict of interest in responding to this solicitation. The Offeror shall inform the Contracting Officer of the following:

1. Description of such services provided; and
2. Primary E&YKLREG office which provides services to the Offeror.